PAT MOYNIHAN A HERO? YES!

SUZANNAH LESSARD ON GLORIA STEINEM, MIDGE DECTER AND ESTHER VILAR

The Washington Monthly

JANUARY 1973/ONE DOLLAR

NUCLEAR HIJACKING: NOW WITHIN THE GRASP OF ANY BRIGHT LUNATIC

The Screwing of the Average Taxpayer

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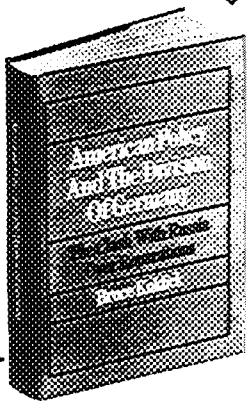

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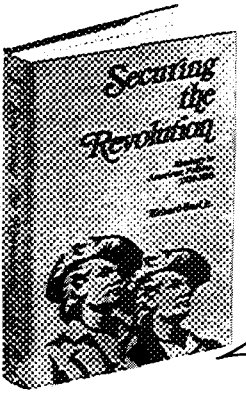

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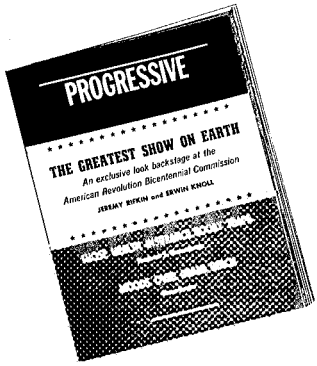

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Letters

Memo of the Month

[Our October Memo reported that skin rashes were developed by some members of the President's party during their recent visit to China, due to contact with lacquer toilet seats.]

Some time ago I encountered a report of a severe skin rash that always followed exposure to fresh lacquer fumes in an oriental bazaar. The physician-writer allegedly discovered that poison ivy juice was regularly used as a catalyst or hardener for fine oriental lacquers.

Such is the background of our foreign policy.

ARNDT VON HIPPEL
Anchorage, Alaska

Being an Internal Revenue Service alumnus I called a retired (also IRS) friend about your November IRS item ["Memo of the Month"] and learned there was even more to the story.

IRS first had to reprint the pamphlet cover because of a mistake in the wording of the name of the employee union (National Association of Internal Revenue Employees). Unfortunately, in the reprint the table of contents, on the reverse side of the cover, was printed upside down. The size of the print order must have been at least 40,000 since the pamphlet was to be given out to all employees in 58 district offices.

Maybe IRS needs a tax-payer audit?

WINSTON MCNAMARA
Springfield, Va.

The Shriver Prescription

My congratulations to John Rothchild and Jack Gonzales and the *Monthly* for their excellent piece on "The Shriver Prescription: How the Government Can Find Out What It's Doing" [November]. There is more wisdom in that article than in the last 10 issues of the *American Political Science Review* combined.

CHRISTOPHER H. PYLE
New York, N. Y.

As a former CAP Field Representative in the Atlanta Region from 1965 to 1967, I was concerned by some of the observations in the article, "The Shriver Prescription. . . ," by Jack Gonzales and John Rothchild. Principally, it seems unwarranted, in light of the OEO experience, to characterize an Office of Inspection, like *deus ex machina*, as the savior of bureaucracy.

Rivalry in which virtuous Inspectors defeated evil CAP bureaucrats was neither as all-prevailing nor as positively influential as implied by the article. Outside of Washington where most of the CAP development work took place, we cooperated. As a CAP person, I valued and respected Inspectors like Mr. Gonzales, who were men of unusual ability and dedication. It is doubtful, however, that any of us in OEO had a significant impact on the quality of the CAP anti-poverty effort. Truthfully, success varied directly with the commitment and capability of local communities, and there was little that any of us could do about it.

Actually, the role of the Office of Inspection was limited. It served as a troubleshooter and early warning system for problems of politics and public relations. This provided valuable protection for the program on Capitol Hill, in State Houses, and at

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City Hall. But it would be a quantum jump to suggest that it improved the lives of the poor by making CAP more effective. While inspectors may save us from General Lavelle or even Lieutenant Calley, I don't think they can ever end the war.

LEO FISHMAN
Washington, D. C.

Fair Employment

As a charter subscriber and long time admirer of *The Washington Monthly*, I was unhappy to read your story in the December issue, "Fair Employment: The Machinery Continues to Rust" [by Timothy H. Ingram].

If the writer had checked with me, I would have been able to point out several errors. For example, with rare exceptions, such as restroom attendants, Bell today has no sex-typed jobs, and no "dual hiring system." And his statement that "Bell advertisements have so identified operators as women that it is hard for the public to imagine a man in the job" is also outdated and completely ignores a campaign which includes full-page ads of a male operator at work, and a woman installer on a telephone pole. Both ran in scores of national publications and were seen by I don't know how many millions of readers.

But picking at errors misses the point. The point is that Bell System's affirmative action plans spell out specific procedures to assure every individual equal opportunity to choose a career and advance as far along that chosen path as skill and ambition take him—or her.

These procedures are unique, so far as I know, in industry or government.

Your writer, Mr. Timothy Ingram, apparently talked to various government people who for one reason or another questioned the validity of our intentions.

But Ingram got only the one side. Including the other side might have made it a much better story.

CHARLES E. DYNES
Washington, D. C.

Charles Dynes is Information Director for American Telephone and Telegraph Company.

Political Book Notes

Your note on my book *Both Your Houses* [September] calls it "A Hedda Hopper of the Hill. Drags up every manipulation, fornication, and fraud known to the Congress."

This seems to be roughly the equivalent of assigning an unfamiliar critic the Old Testament, having him open it to the Song of Solomon and conclude that it was a book about breasts.

My book does include a chapter on the fighting, drinking and sex habits of members of Congress over the years, heretofore largely unreported. But it also includes about 15 other chapters dealing seriously, if not ponderously, with the perilous state to which Congress has fallen and what can be done about it.

WARREN WEAVER, JR.
Washington, D. C.

The editor replies:

We were wrong.

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Patrick Moynihan's Ship of Fools

by Taylor Branch

I never thought Pat Moynihan would interest me, much less convince me that I am a bigger fool than he is. My feelings about him were captured in several memorable *Washington Post* photographs—Moynihan delivering a White House briefing, his pointer in the air as he struck a ballet pose, his eyes rolled upward while speaking as if enraptured by his next thought, his cherubic moon face perched on his bow tie as he elaborated on Nixon's plans for the destitute. It was obvious that his ego had driven him to snuggle up with Presidents indiscriminately so that he could make pronouncements from high places and tinker with the poor. His reputation among properly cynical people fit this image.

Yet Moynihan's new book, *The Politics of a Guaranteed Income*,* is a magnificent diary of his efforts to get a guaranteed income proposed by President Nixon and then enacted into law. It is not a book about the melting pot, poverty subsystems, or any other sociological problem that purports to shed further light on life in the ghetto. Moynihan comes off not as a theorist but as a con man, selling the principle of income-by-right to its natural enemies, struggling to make liberals see through all the smokescreens he used on the conservatives. All the devices he used to orchestrate the perceptions and misperceptions of the Family Assistance Plan failed, and the guaranteed annual income will not return anytime soon. So the book is a tragedy, but it makes you ponder the strange powers, and dangers, of deception in political strategy. And most people should kick themselves regularly throughout the book for not having seen the significance of what Moynihan was trying to do.

Nixon's Family Assistance Plan (FAP) brought together two ideas that had been tossed about on the political

**The Politics of a Guaranteed National Income: The Nixon Administration and the Family Assistance Plan.* Daniel P. Moynihan. Random House, $15.

Taylor Branch is an editor of **The Washington Monthly.**

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fringes for years—the guaranteed annual income and the negative income tax. As Moynihan notes, the guaranteed income was a notion born on the left, and its main thrust was that *all* citizens should be assured of a minimum income—whether working or not, whether disabled or not. Milton Friedman's negative income tax was an idea of the right, incorporating two old conservative maxims. First, it was anti-bureaucracy—dealing with cash instead of caseworkers, giving money directly to the poor without services or character examinations or any other missionary tasks performed by poverty bureaucrats. Second, it was an attempt to preserve capitalism by restoring incentives for the poor to work. Friedman hates the welfare system because it reduces a poor person's benefits by one dollar for every dollar earned. In effect, it makes work senseless and irrational, a situation which rankles conservatives to the bone. Friedman wants to replace the traps of the welfare system with the kind of smooth income curve that economists like so much. As a person's income falls, the government would gradually increase his "negative" income tax payment. As his income rises, the government would gradually reduce his payment until, above the poverty level, he would receive no payment at all and actually begin paying graduated income taxes to the Treasury. At no point would the poor person face the welfare dilemma that a dollar earned by sweat would immediately be slipped from his pocket by a poverty bureaucrat. He could keep at least 50 cents or so. Conservatives call that a "work incentive." Liberals call it "opportunity."

The Nixon proposal was always considered a niggardly application of this principle because the benefit levels were so low—a family of four with no income would receive $1,600 plus food stamps; the same family with a $3,000 income would get a $460 cash supplement. Everyone agreed that this was inadequate for a family of four. Even so, the scope of the initial proposal was, as Moynihan

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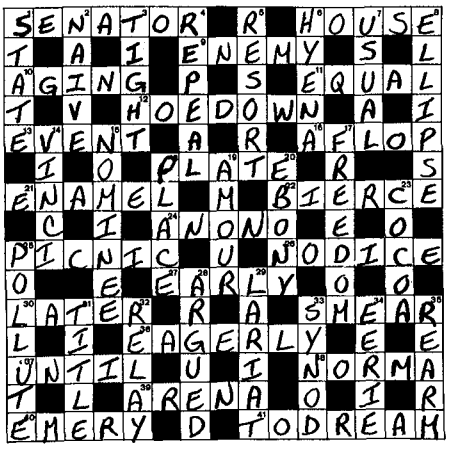
would say, not unimpressive. FAP would have covered nearly 20 million people—more than half of them in the South, almost half of them nonwhite. The most dramatic changes would take place in the small rural counties of the South. Moynihan cites one county in the Mississippi Delta with average family size of seven people and average family income of $1,538. FAP would have nearly *tripled* each family's income, raising it to $4,493. About 40 per cent of the population of Mississippi would begin receiving federal checks.

The "working poor" would be eligible for payments for the first time—families of four would get some supplement if they made less than $3,920, families of seven would be eligible unless they made more than $5,720. About 13 million more people who worked but were still below the poverty line would begin getting a bonus—farm workers, migrants, marginally employed laborers, those scraping through on odd jobs. Families would receive these payments no matter where the man of the house slept or what he did or didn't do when he was awake. It was, in short, a guaranteed income—a low one, but still a guaranteed income with the incentives of the negative income tax built in. Nixon knew this, although, as Moynihan says, "Nothing required that a guaranteed income be *called* a guaranteed income. . . . Accordingly, the President declared that the Family Assistance Plan was *not* a 'guaranteed income.' " The show was on, and the Administration could snatch almost any kind of FAP you wanted from its hat with but a moment's notice for the speechwriters. The magic seemed to work well: Gallup found that 62 per cent of American voters opposed a guaranteed annual income, and that 65 per cent simultaneously favored the Nixon plan to "clean up the welfare mess." Moynihan was on his way.

Answers to December puzzle:



Poverty's New Name

His first task had been to convince Nixon, and it was no mean trick to convince a self-made Quaker to throw money at people who would neither work nor vote Republican. Moynihan began by sharply redefining the nature of the problem: "The issue of welfare is the issue of dependency," he says in the first sentence of the book. "It is different from poverty." Why is it, he asks, that for the first time in American history the number of welfare cases is skyrocketing regardless of fluctuations in unemployment or poverty statistics? Welfare used to go up only when unemployment went up, and now it rises independently. The reader becomes mentally seduced as Moynihan goes on making fuzzy distinctions between dependency and more familiar ills. He theorizes about family stability, personal freedom, integrity, and so on, all in terms of dependency—"an incomplete state in life."

In the book, this introduction is merely setting the stage for the birth of FAP, but I think it was also part of Moynihan's strategy. Who would want to go into the Nixon White House, as Moynihan did, to head the high-level Urban Affairs Council and then propose a massive, radical program to fight *poverty*? Republicans would be much more comfortable fighting *dependency*, even if they didn't know precisely what it was or how it would

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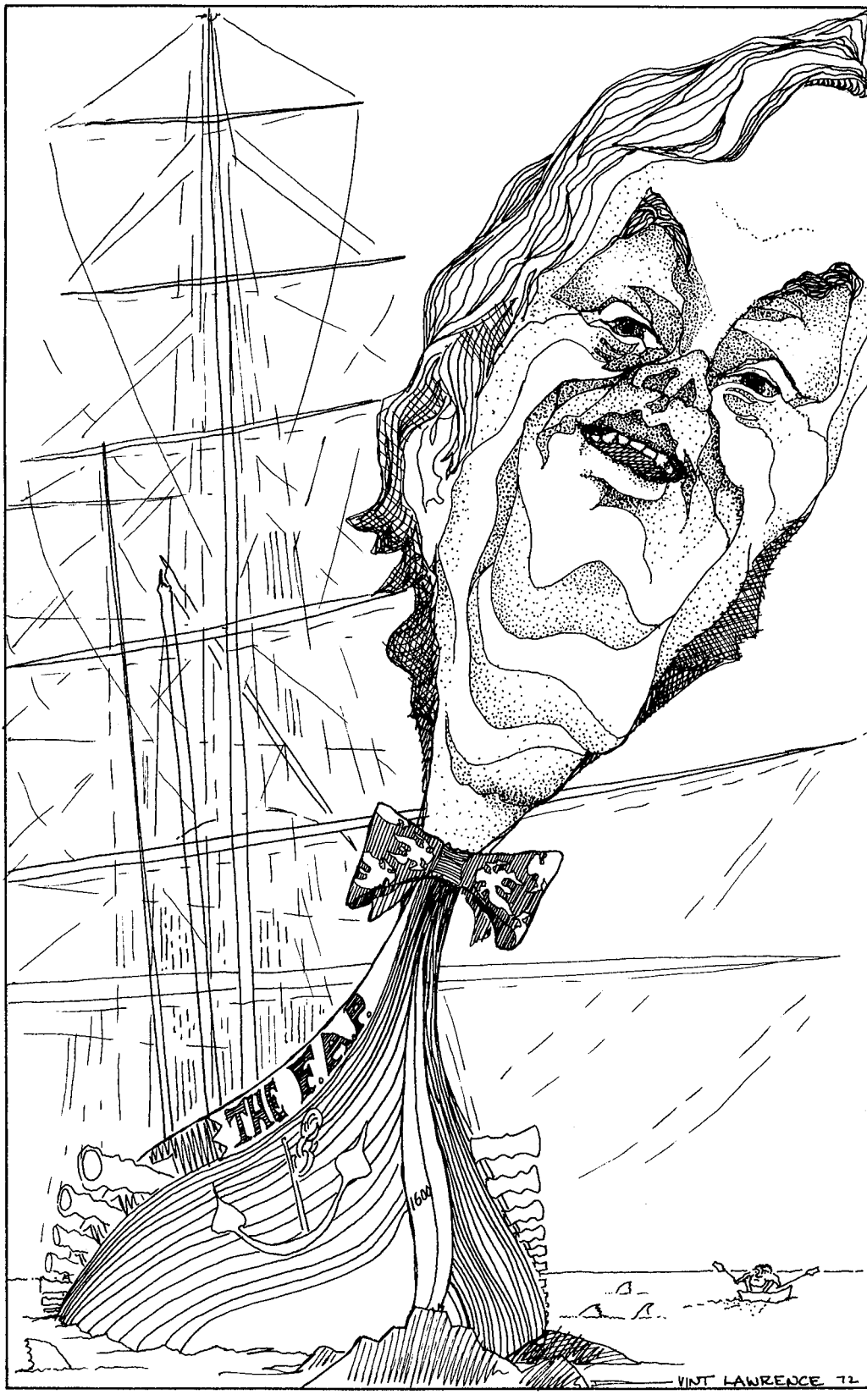

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be cured by boosting public-assistance payments. He who is against dependency is for independence. By the time Moynihan finishes playing his flute on this theme, you have forgotten the Great Society antipoverty schemes and that frustrating, boring old battle against the ghetto and the shack. You are concerned about how robust and dignified a poor family would *feel* under FAP, and the program's impact on poverty is a pleasant, but rather insignificant, side effect. With the Republicans in the White House focused on this revolutionary new threat to the family and to the entire social fabric, Moynihan was poised to strike with a program that simply gives money to people because they are poor.

He moved into the White House and assembled a staff loaded with people who had been producing charts and graphs in support of a guaranteed annual income for years without success. Within two months of Nixon's inauguration, Moynihan presented the President and the Urban Affairs Council (UAC) with a draft of FAP. (It was then called the Family Security System, but the name was changed before the program was announced because Melvin Laird said that any title with "security" and "system" in it sounded too "New Dealish" and insufficiently Republican. Hence FAP.) The staff work was done quickly, since virtually the same people had presented virtually the same program to the Johnson Administration only months earlier. The lame-duck LBJ had wanted to propose some visionary legislation before he left office. It might make him look better, and it might reduce room for fresh, purely Nixon initiatives later. "The political constraints were off," writes Moynihan. "The sky was the limit." But the Great Society task force on income maintenance rejected the negative income tax and the guaranteed annual income. In fact, it proposed no significant legislation in the fields of welfare or poverty, sensing political staleness there. Once again, the liberal Democrats beat down Moynihan's proposal, which, Moynihan writes bitterly, "had it been put forth by one of their own, would surely have been hailed as the largest social achievement of the second half of the century."

Nixon did not reject the plan. Instead, he let the opposing factions argue it out within the White House while he assumed a judge-like reserve, waiting to do his job, which was to Make Decisions. Moynihan contended for the nod of approval.

Peril in Speenhamland

His chief rival was taciturn old Arthur Burns, now Chairman of the Federal Reserve Board and then the President's chief economic counselor. Burns understood that Moynihan was pushing a negative income tax with a lot of leafy words on it, and he said that he objected on grounds of conservative, Protestant principle: "We have been moving away from the concept of welfare based on disability-related deprivation and need to the concept of welfare as a matter of right." He was ideologically opposed, along with most of the voters, but the arguments he put in the President's ear must have produced some of the most bizarre scenes ever enacted in the drawing rooms of any monarch. In mid-April he instructed his assistant, Martin Anderson, to write up a history of Speenhamland, a welfare scheme used in Great Britain about the time of King George III. Using excerpts from Karl Polyani's *The Great Transformation*, Burns and Anderson suggested that FAP was just a big Speenhamland, which had been a disaster because the chimneysweeps and rabble lost their productive instincts and sat around all day amusing themselves and writing pamphlets. This caused concern in the Cabinet room. "The President asked for a response," writes Moynihan, who then "rushed to the historians."

Fortunately, the weight of historical opinion came down in favor of Moynihan and against Polyani. Ger-

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trude Himmelfarb of Brooklyn College spoke for the academics and provided much of the material for the rebuttal that Moynihan laid on Nixon's desk. Speenhamland had "contributed to economic expansion," he said, not to individual laxity. The President was "satisfied" with his presentation and the debate shifted back to the computers and marital calculations. But FAP nearly died in Speenhamland.

Moynihan is fairly explicit about his battle with Burns to get his proposal up before Nixon without its being severely molested. Burns had greater prestige with the President, Moynihan summarizes, but he also suffered from some tactical problems:

> I operated from the White House itself—an intangible but unmistakable advantage—and through the UAC meeting schedule controlled a fair amount of the President's time and that of his Cabinet. It was probably also the case that as a Democrat and a complete newcomer to the President's circle I represented less of a threat to other members of the President's circle, who by contrast had to see Burns as a rival.

Over in the Executive Office Building, Burns began losing out in sessions with the President. Shrewdly, Moynihan realized that it would be a mistake to cut up a close friend of the President that quickly, whatever the temptation. He was already besting Burns regularly, "enough to cause trouble if the pattern became too evident." Instead of humiliating Burns, Moynihan saw that he should throw him a bone: "It became necessary, in a word, for Burns to get something."

Moynihan has to summon all his erudition and modesty to avoid gloating over his political prowess in the back-room intrigue. As most economists secretly envy a colleague who succeeds in the stock market, most political academics aspire to be someone whose theories might enable them to stand up to Mayor Daley or Wilbur Mills when the chips are down. It's a proud thing for university people to feel as hairy-chested and practical as those out in the real world. Moynihan accomplished his astute generosity by "giving" Burns revenue sharing, which was thereafter presented as a package deal with FAP. This suited the FAP people, since there had always been an element of revenue sharing in the proposal anyway. (States were required to pay the difference between the new national welfare floor and their current standards—so that no welfare floor would be lowered. All the states would pay less for welfare because of the FAP money from Washington. This would be revenue sharing. In about 16 states, mostly Southern, the FAP floor would have been *higher* than state welfare standards. The new national system would have totally replaced welfare programs in those states, saving them the money they had been spending.)

Dreaming of Disraeli

While Moynihan was encouraging Burns' genius in the revenue-sharing field, he went to work on Nixon. He began by sizing up the new President: "Nixon in office was beginning to change. The cautious, negative campaign was behind him. Ahead lay his reputation in American history." Nixon remembered that Eisenhower's dull stewardship had hurt his own chances in 1960, and he judged that Ike would be thought of as a nice President but not a Wilson or a Lincoln. More boldness was needed. As Nixon told the first meeting of the Cabinet members on Moynihan's Urban Affairs Council, "We don't want the record written that we were too cautious."

Moynihan saw that he would never sell the guaranteed income by appealing to Nixon's sense of obligation. Obligations are not exciting or risky, either to Presidents or historians. The "welfare crisis" was a problem, but Moynihan judged that his best chance was to present it as an *opportunity* for surprising and dramatic leadership. "There was nothing the President *had* to do about welfare, as, for example,

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on taking office he *had* to deal with budgets and taxes and armaments, and so on through the range of presidential subjects. Welfare was not such; never had been."

Moynihan told Nixon that he would have very few chances for history-making domestic initiatives. Unlike big foreign ventures like the trip to Peking, they cost *money*—and Moynihan hammered away at the theme that there would be precious little money. There would be no Vietnam "peace dividend," he said, and—forecasting what must have been ultimate horror for Nixon—Congress would put on relentless pressure to use up what little "new program" money there would be "on a sort of 10-percent across-the-board increase in all the Great Society programs each year." Imagine that, Mr. President. You would be reduced to presiding over marginal increases in a whole host of programs that you don't believe in and that aren't yours. How weak and undistinguished. FAP would be the difference between Lincoln and Eisenhower, as Moynihan summarized in a note to Nixon during the spring 1969 debate:

> If your extra money goes down the drain I fear in four years' time you really won't have *a single distinctive Nixon program* to show for it all.
>
> Therefore, I am doubly interested in seeing you go up now with a genuinely new, unmistakably needed program, *which would attract the attention of the world*, far less the United States. We can afford the Family Security System. Once you have asked for it, you can resist the pressures endlessly to add marginal funds to already doubtful programs [emphasis added].

Nixon was interested. He needed a Magna Carta, a New Deal, a Common Market. He had to move quickly. He would have few chances, and here was one proposal worked out in such detail that it was standing up under criticism in an extremely hostile Administration.

Moynihan pressed his advantage. Welfare reform and revenue sharing seeped into the national press as subjects of great concern. Everyone wondered what Nixon was concocting during the grace period at the beginning of his presidency. Welfare became part of the fickle Washington mood. The timing was right. Moynihan and Laird kept making public statements about the "mythical" peace dividend. Coincidentally, they were two of only four FAP supporters close to the President, the other two being Health, Education and Welfare Secretary Robert Finch and Labor Secretary George Shultz. (It always seemed irksome to me that *Moynihan*, the poverty man, took it upon himself to make statements about the postwar military budget. You didn't like to hear that stuff about how the military would gobble up the budget anyway, but it was especially galling to hear it from Moynihan. I don't remember anyone saying it was part of his strategy to obtain the guaranteed income, which comes out clearly in his book.)

Nixon still had his doubts when he went off to the Pacific in July, 1969, to greet the astronauts returning from the moon. The first President to talk by telephone to the first men on the moon. Then off around the world, receiving great acclamation. The first President to visit Romania. Talk of a stunning rapprochement with the Soviets and the Chinese. He returned breathing history, and Moynihan caught the euphoria. He found the President reading biographies of Disraeli and Lord Randolph Churchill. "Tory men and Liberal policies," Nixon told him, "are what have changed the world."

Riding High with Wilbur

The last Cabinet meeting on FAP took place at Camp David on August 7. Most of the Cabinet was opposed, and Moynihan recognized that the plan was so complicated that few of them really understood it, a continuing plague. Everyone was concerned that the draft legislation contained no "work requirement." Congress wouldn't buy that, said Bryce Harlow,

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the President's lobbyist. Moynihan pointed out that Congress had already passed a work requirement in the welfare amendments of 1967, signed by LBJ. They provided that *any* welfare recipient under Aid to Families with Dependent Children could be denied benefits for refusing to register for work training or for refusing to accept a "suitable" job. The Cabinet said no matter. They didn't want a Nixon welfare bill going to Congress without his own work requirement in it. So Moynihan copied the LBJ amendment, except that he exempted all welfare mothers with children under six years of age—a slight liberalization of existing law.

Nixon was distant from the frenzied, confused debate. "At the center of the storm it was very quiet," writes Moynihan. " 'I don't care a damn about the work requirement,' said the President. 'This is the price of getting the $1,600.' " A remarkable thing for a man like Nixon to say. He was talking to himself. "He had *already* decided," says Moynihan. He was musing, proofreading his chapter in some distant history book. FAP would be enacted "because it has to be done." Thereafter, Nixon described welfare reform as his "flagship," "the warship from which his colors flew."

On August 8, 1969, Nixon delivered a television address on his domestic proposals, with FAP at the heart of his message. The response in the press was overwhelmingly favorable, and the polls showed commanding public support. Finch, Shultz, and Moynihan went before Wilbur Mills and the House Ways and Means Committee, where they painstakingly explained the bill. Mills studied it cautiously, calling Administration witnesses over to his committee room frequently for informal discussions. He took the bill apart, studied it, and was gradually won over. *Something* had to be done about welfare, he said, and this bill was not just tinkering. He finally reported the bill out of his committee intact and sponsored it on the House floor, along with Rep. John W. Byrnes, the ranking Republican on Ways and Means. In the general debate several congressmen complained that welfare was so touchy that it was impossible to find safe ground. The current system was intolerable, but Nixon's bill was also being criticized from every direction. "We're damned if we do, and damned if we don't" support FAP, said Rep. James J. Delaney. "No sir," said Mills. "We 're saved if we do and damned if we don't."

What the FAP, Pat?

The Family Assistance Plan passed the mossback House on April 16, 1970, by a vote of 243 to 155. Only the liberal Senate stood in the way of $6 billion in direct cash payments to the poor, the establishment by law of the principle of a guaranteed annual income, and a momentous social revolution in the rural South. Moynihan was flying high.

Then FAP ran into the Senate

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Finance Committe, a carnival of egos and whims in which puffy senators bounce off each other randomly like big balloons in a crowded room. Unlike the quiet and businesslike, if secretive, Ways and Means Committee, the Finance Committee is a stage for symbolic politics and for grandstanding in public. Or so it operated in the case of family assistance. This was the worst possible atmosphere for the consideration of Nixon's bill.

Having waited until the House finished with FAP before deigning to look at it (protecting the dignity of the Senate), Russell Long made a widely publicized opening speech on the Senate floor. Moynihan was alarmed. Long "had chosen to take the Administration at its word and to view FAP as *welfare reform*," writes Moynihan. "How much reform, he asked, did the legislation in fact provide?" It soon became clear, to Moynihan's horror, that all Long meant by welfare reform was dealing with the problem of the welfare Cadillac—all the chiseling being done by the "brood mares," in Long's famous phrase. The Senator was on firm ground, since most of the public thought of the problem in the same way.

Of course, the Family Assistance Plan did *nothing* about Long's kind of welfare reform. In effect, the bill defined away all the moral questions about whether a person should work by looking strictly at income. If income was too low, it would be supplemented without scrutinizing whether the person was able-bodied, upright, or imbued with the Protestant ethic. Long put neon lights on the "moral issue." Whereas Burns had lost behind closed doors on the same matter, Long went public and made the Administration very queasy about support on the right. California's Governor Ronald Reagan had already announced his opposition to FAP on ideological grounds, and this worried all the political strategists in the White House. They had 1972 to look forward to.

Meanwhile, Senator John J. Williams of Delaware, the senior Republican on the Finance Committee, threw down a headlong challenge to Moynihan's expertise on the issue of work incentives. In doing so, he displayed a thorough, if somewhat petty, understanding of the bill. He pulled out example after example of hypothetical circumstances in which people would have no incentive to work at certain income levels, despite the exalted negative income tax principle in Nixon's bill. Under widely disparate state laws, families would become ineligible for all kinds of benefits by earning wages, so that they would lose money even though FAP would tax only a portion of their extra earnings. An extra dollar of income would mean that the family would lose public housing assistance or Medicaid or a free lunch program or some other income supplement. FAP could not overcome these "notches" in poor people's earnings. What kind of reform is that, asked Williams.

Milton Friedman, the father of the negative income tax, made the same point, observing that his idea had been ruined by all the little marginal costs that poor people faced in going to work—a 50-percent reduction in FAP benefits, Social Security taxes, lost benefits in Great Society programs, and so on. Moynihan could only reply that a 50-percent reduction was better than the current system of taking 100 per cent—a dollar lost in welfare for every dollar earned. But he had lost Friedman's critical support, and he continued to be haunted by the legacy of the Great Society. All those programs messed up the smooth curve Friedman needed in order to say that people would have reason to work. Moreover, Williams demolished Moynihan's image as the careful architect whose proposals could withstand detailed criticism. The Administration's complicated answers seemed lame, although technically correct in their assertion that FAP would be a great improvement. The grandeur was gone. The conservative appeal was

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badly wounded because Long was showing that the bill would not *force* people to work and Williams was showing that it might not *induce* them either. All Nixon's talk about "workfare" didn't impress these hard-nosed senators, who hardly took deep breaths when contemplating Nixon's place in history. Workfare merely incensed the liberals.

Maximum Feasible Hypocrisy

Most liberals needed a lot of temperance to think kindly of any Nixon proposal when the Senate was considering FAP in the summer of 1970. Nixon had just invaded Cambodia, and Agnew was beginning the scurrilous 1970 campaign against radiclibs. His attacks on the press and much other sour water had gone over the dam since Nixon had proposed FAP a year earlier. And Nixon refused to say grandiose, liberal-sounding things about poverty or civil rights or any other chapter of the cause. Moynihan says that the President was saving all his "psychic benefits" and camaraderie for the Middle Americans, who were the most crucial element of his new constituency (and who needed to hear nice words about hard-hats and old virtues because they weren't getting any tangible relief for their burdens at all). Since liberals were too embarrassed to ask the government for anything themselves, some psychic reinforcement of their role as patrons for the poor and the good was vital. It was impossible to trust, let alone go to the wall for, a man like Nixon, who bombed children and reciprocated liberal contempt.

Moynihan detects several reasons other than political chemistry why the liberals mustered little support for the Family Assistance Plan. He directs his most bitter attacks against the whole galaxy of administrators, legislators, intellectuals, consultants, journalists, and low-level bureaucrats who had been weaned on the New Deal–Great Society strategy of helping the poor by dispensing rehabilitative services through the government. The poor got the services, which were generally considered ineffective, and the middle-class professionals in the galaxy got the money:

> With astonishing consistency, middle-class professionals—whatever their racial or ethnic backgrounds—when asked to devise ways of improving the condition of lower-class groups, would come up with schemes of which the first effect would be to improve the condition of the middle-class professionals, and the second effect might or might not be that of improving the condition of the poor. The programs of OEO were quintessentially of this kind.

The professionals got money, jobs, and an outlet for their nobler instincts, the whole package—a pleasant sense of self-denial for the cause without any of the gritty problems of sacrifice, like looking for a job in the crass Republican world of self-interest.

The heart of FAP's "income strategy" was to give money directly to the poor, drunk or sober, without straining it through the sticky-fingered attentions of the government. "An income strategy threatened interests associated with a services strategy," writes Moynihan, "and this was a direct threat to Democratic liberals." In fact, the services strategy seemed to have infected the whole Democratic Party, which is one reason why the guaranteed annual income kept getting shot down by Wilbur Cohen and his colleagues in the Johnson Administration. "Much as earlier Republicans had promised the masses prosperity through business enterprise, Democrats now offered security through government enterprise." There was money in poverty as long as you avoided the kind of direct Treasury payment the businessmen prefer in their tax breaks.

Moynihan returns to this theme repeatedly in the book, probably out of anger with what he considers the hypocrisy of liberal Democrats. What they were doing, he says, was covering their asses; but what they *said* they were doing was speaking from a su-

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perior knowledge about how to fight poverty, gained over a lifelong crusade that had provided many studies and much experience, if not success. He contrasts the liberal rejection of FAP with the all-out support for another anti-poverty measure—the Comprehensive Child Development Act of 1971, the day-care bill that Nixon vetoed:

> It was to be more costly by far than Family Assistance, providing benefits to a much larger population, while finessing the issue of a "work requirement"—day-care centers for working mothers can only be of use to mothers who work. It would also create an enormous demand for the services of educated middle-class persons certified as competent for dispensing "quality" early childhood training. Once again many billion dollars were to be spent to aid the poor without giving any money to the poor.

He probably ascribes too much influence to this liberal vested interest in the defeat of FAP, but he writes with the incisive vehemence of one who has been converted. A former advocate of let-a-thousand-programs-bloom, Moynihan has turned on his old compatriots for persisting in their ways to the detriment of FAP—what was nearly his greatest achievement.

The Miracle Comes Undone

Liberals were certainly subject to pressures against FAP other than their own self-interest. Moynihan describes it as the "fate" of the bill to emerge about the same time as Dr. George Wiley's National Welfare Rights Organization (NWRO). To some degree, the NWRO was built on its opposition to FAP. The day before Nixon went on television with his original proposal, Wiley made his position clear: "This plan is anti-poor, and anti-black. It is a flagrant example of institutional racism." He went on from there.

Moynihan's theory is that NWRO opposed the Nixon bill out of rather naked organizational self-interest. The largest initial benefits of FAP went to two groups: the working poor and welfare families in the South. The NWRO membership was drawn overwhelmingly from welfare families in the North—that is, from people who stood not to gain much immediately from the plan unless they could persuade the states to translate their revenue-sharing savings under FAP into higher welfare standards. FAP gave most of its help to a portion of the poverty population that NWRO was not. Therefore, says Moynihan, Wiley opposed it.

Of course, Wiley was also an emerging black leader whose reputation was not yet firmly established. He could hardly afford to embrace a program put forth by Richard Nixon without yelling, "More." What was remarkable was that his voice carried so much weight beyond his organization's small membership. Everyone from congressmen to church groups was afraid that supporting FAP would be judged de facto evidence of racism. "It came to be perceived as something of a risk for a Washington liberal concerned with credentials in civil rights circles to persist in support of FAP," writes Moynihan. "When in doubt there was always the liberal editorial assurance that the $1,600 floor was 'grossly inadequate.' "

The $1,600 floor *was* inadequate, but several complicated factors about the bill made this not nearly so heinous as it seemed. For one thing, the $1,600 (plus about $800 in food stamps) was not the only source of welfare in the country, but rather the federal base under the state programs. The federal government, which had never set national welfare standards, was to nationalize the *first* $1,600 in welfare payments for a family of four with no income. That would cost $6 billion, a fairly healthy chunk for a beginning. Also, the mechanism of the negative income tax—whereby benefits were reduced by 50 per cent of earnings after a $720 exemption—meant that *all* poor families in the country would be receiving income supplements from the federal government if they earned less than $4,000.

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Millions of families were included other than those who made nothing at all.

One reason the Administration set the floor at $1,600 was cost: the operation of the negative income tax made the cost of FAP go up geometrically if the floor were higher. If it were boosted to $5,500, for example, FAP would cover more than half the families in the United States, and the program would cost more than $70 billion. All families of four earning less than $11,720 would receive income supplements from the federal government instead of paying taxes to it. (The arithmetic of the negative tax was always difficult for Moynihan to get across. Excluding the $720 exemption, the $11,720 family would have $11,000 in "taxable" income. Under the 50-percent tax rate, the family would "owe" the Treasury $5,500, while the Treasury would "owe" the family its $5,500 guaranteed income. The family would be even. Those making above $11,720 would owe more than their guaranteed income, and they would begin paying taxes. Those making less would receive FAP benefits.)

The $1,600 figure was low, but it did not justify the fuzzy impression of many people (including me) that all poor families in the United States would be reduced to living on $1,600 a year. No welfare family's income would be reduced, and millions (mostly in the South) would be raised. In addition, 13 million non-welfare, working people would begin receiving income supplements for the first time. Finally, Arthur Burns' cherished notion that people should receive aid only if the government determined them incapable of work would be wiped out in favor of a guaranteed minimum income based on earnings alone. This was important enough in itself, but it had the additional advantage of making the welfare floor an issue in congressional elections. As Moynihan notes, every congressman and senator would face a large bloc of voters among welfare recipients and the working poor who would be focused on their representatives' position regarding the family assistance floor. The candidates would be reluctant to write off votes in such numbers. Like Social Security payments and government salaries, the floor could be expected to rise regularly. Indeed, linking welfare recipients and the working poor to the same payment scheme would exert enormous pressure on these two groups to form a single poverty constituency for the first time.

There was ample justification for attempting to mau-mau the Congress into raising the $1,600 figure, but not for fighting the bill altogether. Nixon was there trying to hand out some cash—not a lot, but some—under a radical new principle, while most liberals were over at Leonard Bernstein's cruising around the hors d'oeuvre tables, muttering about the outrages of incrementalism. It was difficult at Lenny's to view the matter from the perspective of one of those families in the see-through Southern shacks where income would be tripled, or from the perspective of the 13 million working poor. FAP was impossible to oppose outright unless you were engulfed in symbolic politics, which was precisely what was happening in the Senate Finance Committee. Fervor was sweeping through the committee room like the spirit of a Billy Graham testimonial.

The Senate conservatives lectured Administration witnesses about how the bill was *not* reform and would not curb abuse. They were in their best election-year voices and their most pious Sunday moods about the vitality of hard work. The harried Finch came up with all sorts of thin sophistries in an attempt to show that the bill was *not* a guaranteed income and that it was a disciplined product of Nixon's work ethic. The conservatives, who understood the bill, did not believe him for a minute. The liberals, who did not understand the implications of the bill very well, saw Finch's testimony as a confirmation of their

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suspicions about that tricky Moynihan.

Not a single member of the Finance Committee supported FAP in the hearings. Moynihan thinks this was largely attributable to the unrepresentative make-up of the committee, which was composed almost entirely of Southern Democrats and Republicans from sparsely populated Western states with few welfare problems. The Southerners, writes Moynihan, grasped what the bill would mean for their states: "Family Assistance was income redistribution, and by any previous standards it was massive. It was a necessary and massive threat to an established political order that already knew itself to be half-disestablished. For Southern politicians, there was nothing at all subtle about FAP."

Everyone was missing the cues that Moynihan had designed for them—the ones that worked so well in the House back when liberals hated Nixon less and conservatives went along with him in the first glow of his presidency. Moynihan scorned liberals for not understanding the bill, but lamented that the conservatives did. Senators were picking up on arguments designed for *other* senators, while ignoring or tearing apart the ones made for them.

Things were coming undone. All Moynihan's arguments were hitting the wrong targets, and he was caught in his own crossfire. The frustration was maddening, because the Administration knew that it had the votes to pass FAP on the floor of the Senate if the bill could just get out of the Finance Committee.

Wiley, Harris, and Kafka

With all arguments failing, Moynihan was reduced to a desperately pure attempt to con the bill out of committee. He persuaded Nixon to invite the six key senators on the Finance Committee out to the Western White House for a state dinner honoring the president of Mexico and a little chit-chat amidst the Grand Treatment from the President. "As presidential attentions go," says Moynihan, "the arrangements were not inconsiderable." It looked like it might work, as "in the ambience of military deference and splendor, of high diplomacy mixed with small courtesies, John Wayne and Mexican folk dancing, the senators found themselves asserting that of course a bill of some sort *had* to be reported out." Senator Abraham Ribicoff, the closest thing to an FAP advocate on the committee, was very positive. And in the general optimism of the occasion it didn't sound too alarming when Senator Long told the President that in his committee the only "objection is to paying people not to work." Nixon pleaded his case, and the senators went home contented with the weekend.

But it was too late. The glow wore off, and neither Nixon nor the Mexican folk dancers could take up residence in the chambers of the Senate Finance Committee. Immediately before the vote, John Gardner of Common Cause laid plans for a massive lobbying effort in favor of FAP, but Wiley and the NWRO threatened to show up at every event with a couple of hundred welfare mothers to belittle their commitment and call them racists. Gardner and other liberals were scared off. The National Council of Churches backed so far away from FAP that people thought the Council was returning to theology.

Long scheduled the vote for November 20, and on the two days preceding, Senator Eugene McCarthy sponsored "people's hearings" at the request of the NWRO. A parade of welfare spokesmen denounced the bill as racist, repressive, and inadequately funded. *The New York Times* reported that the emotional impact of the hearings may have switched the vote of Senator Fred Harris.

The next day it was over. Nixon's Middle-American senators were beaten by a coalition of left and right, 10 to 6. Harris, McCarthy, Albert Gore, and Clinton Anderson were against the

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bill, along with Herman Talmadge, Harry Byrd, and four Republicans. Three Democrats supported FAP: William Fulbright, Ribicoff, and surprisingly, Russell Long.

The mood of the NWRO was described as "jubilation." "It's a big win," said Wiley. Politicians and journals of the right were similarly pleased, as was the Chamber of Commerce. Moynihan must have gone home to read Kafka. He had spent two years of his life shepherding the radical idea of a guaranteed income-by-right through a conservative Republican Administration and the House of Representatives, only to have it shot down by a welfare organization and the only acknowledged populist in the U. S. Senate. FAP would be toyed with and modified over the next two years before abandonment, but Moynihan judged rightly that the guaranteed income was dead.

The Great Leap Backward

In retrospect, Moynihan believes that the loss of conservative support was the turning point that killed the bill: "The very intensity of public feeling on the subject made it difficult to oppose welfare reform, but when first the committee staff, and then the ranking Republican Senator [Williams], succeeded in casting doubt on the assertion that Family Assistance *was* reform, the matter was lost." Still, he reserves his greatest contempt for the liberal senators, especially Harris, who wound up holding the balance of power. The conservatives had made a real choice, with some conviction and intelligence behind it, and they were willing to live with the consequences. "Harris had not," writes Moynihan. "He wished to be both for the bill and against it. His conduct was not unjustifiable, it was merely weak."

Some questions remain at the end of the book. Moynihan doesn't give any attention to things he or Nixon might have done to save FAP despite the obstacles. Maybe that's too cruel a question, like asking Hoover why he didn't prevent the Depression. But there is evidence that powerful figures in the White House did do their best to scuttle FAP, that the President's own enthusiasm wilted a bit under abuse, and that the Cabinet was forever confused or disappointed by the proposal. Moynihan doesn't seem to give enough emphasis to dissension within the White House after Nixon made his original decision. Also, Moynihan waxes a bit too eloquently on the necessity of cynicism and the cunning to sell something in politics. He didn't seem to compromise his basic legislative principles to save the germ of FAP (as, for example, the Kennedy liberals did when they decided the only way to reach full employment was through defense spending), but he did employ a strategy that required simultaneous and contradictory deceptions of all sorts of political figures.

Most of what remains at the end of the book, however, is a collection of unmistakable facts. The Nixon Administration's attitude on welfare has regressed about 30 years. Having lost one kind of welfare reform in FAP, the Administration is now "reforming" welfare chiselers, with fairly comfortable support from Congress. The current plan is to cut off federal funds from states that aren't tough enough on the cheating problem. The guaranteed income and the negative income tax are lost for the next four years, and probably, as Moynihan predicts, until at least the end of the decade. Moynihan has been appointed Ambassador to India, where, like Chester Bowles, people go when they have good ideas that are unpleasant at the White House.

I hope the Moynihan book sells a lot of copies, so he will at least get something for the struggle. I know there must be a lot of readers like myself who will find regrets, lessons, and an unexpected, overwhelming respect for Moynihan—bow tie, pointer, and all. ■

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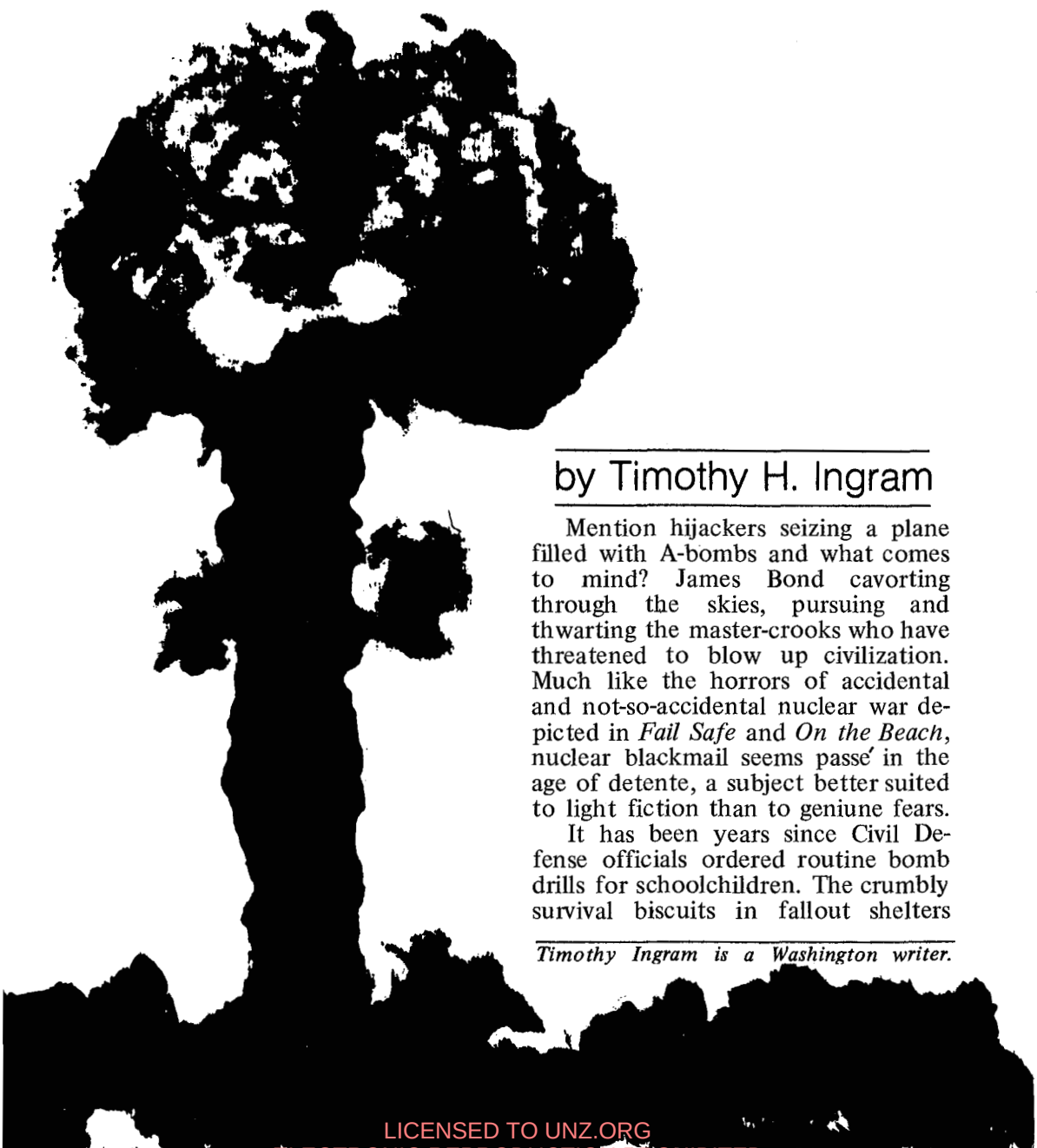
Nuclear Hijacking: Now within the Grasp of Any Bright Lunatic



by Timothy H. Ingram

Mention hijackers seizing a plane filled with A-bombs and what comes to mind? James Bond cavorting through the skies, pursuing and thwarting the master-crooks who have threatened to blow up civilization. Much like the horrors of accidental and not-so-accidental nuclear war depicted in *Fail Safe* and *On the Beach*, nuclear blackmail seems passé in the age of detente, a subject better suited to light fiction than to geniune fears.

It has been years since Civil Defense officials ordered routine bomb drills for schoolchildren. The crumbly survival biscuits in fallout shelters

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across the country gather dust as a busy nation goes to work and worries about things closer to home. A year and a half ago, the federal government announced it was phasing out its programs to stock fallout shelters, finding them no longer the necessity they were 10 years ago. The public is vaguely cheered by the disarmament talks going on in Geneva, Vienna, and Helsinki, and the Non-Proliferation Treaty has put to rest our old fears of bombs spreading into every little sheikdom.

There are, however, a few little details left to take care of. Consider the following scenarios, representative of the type now being mulled over by arms-control experts and the Atomic Energy Commission:

■Sloppy But Effective. *No elaborate delivery system. No Minuteman missile. No SAC bomber. Just an ordinary jeep or VW van, driven across a desert border into Israel. Under the seat is a crude, radioactively dirty A-bomb, homemade by guerrillas. It is only a one-tenth of a kiloton device, one-two hundredth the size of the Hiroshima bomb, but still capable of wiping out a village. The material for the atomic warhead is not the product of an expensive backyard Manhattan Project, but has been hijacked only five weeks previously from a commercial airline flight from London to Frankfurt. The bomb is a dud. The high-explosive component goes off, but with no atomic blast; instead, highly toxic plutonium particles are scattered over a wide area, killing hundreds outright, some within a month, and developing cancers in others.*

■Keeping the Peace. *He works for a reactor fuel fabrication plant and is a frustrated engineer. He daily removes from manufactured 12-foot reactor fuel rods one or two thimble-sized plutonium pellets weighing .05-ounce (quantities small enough as to be relatively undetectable by monitoring apparatus at the plant). He eventually has close to a pound of plutonium. He doesn't have the dozen pounds required for a Nagasaki-type atomic bomb, but he does have some of the most fiendishly toxic substances known. Minute quantities inhaled or imbedded in the skin can be lethal. It has a radioactive half-life of 24,400 years. The stuff is valuable, too. A pound would be worth close to $5,000 on the open market, five times as much as heroin, 10 times as costly as gold. He broods. He decides world peace can be achieved through blackmail and threatens to inject plutonium dust into the ventilating system of the United Nations, or scatter the toxic stuff at the Capitol by means of a World War II surplus thermite smoke bomb unless his demands for peace are met.*

■Mideast Solution. *Israel takes the more traditional route, building a 24-megawatt test reactor at Dimona, obtained secretly from France, and purchasing the uranium fuel in Argentina and South Africa. The reactor is capable of producing enough plutonium for about one bomb per year. Israel has not signed the Non-Proliferation Treaty of 1968, which bans non-nuclear-weapon nations from acquiring nuclear arms, and thus is not subject to international safeguards inspection. A concerned United States works out an arrangement whereby Atomic Energy Commission (AEC) technical experts visit the facility periodically to make sure it is safe. Meanwhile, a small chemical reprocessing plant is built secretly, preparatory warhead development and design is begun, all awaiting the diverted plutonium. A limited atomic arsenal grows.*

If these scenarios sound far out, then realize that these and other nuclear theft and blackmail war games are being considered in deadly earnest by AEC, arms control, and energy industry safeguards specialists. As with any gaming, it's tough to know how seriously to take the scenarios. According to the AEC, there have been no known overt attempts to steal nuclear materials. But several blackmail threats—including the nuclear destruction of Orlando, Florida—have

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panicked officials into thinking about the unthinkable.

The Orlando Case

On October 27, 1970, a red, typewritten letter addressed to "The Citizens of Orlando" arrived at the Orlando, Florida, city hall. The writer threatened to blow up the town with a hydrogen bomb unless he was paid $1 million in small bills and given safe escort out of the country. He also demanded that receipt of the letter be acknowledged over a local television news program at six p.m. That evening the newscaster simply added at the end of the broadcast: "Would the person who wrote the letter in red ink to city hall please contact the police."

What happened next is not entirely clear, with some insiders' accounts of the event conflicting with the incomplete, partially misleading version given at the time by Orlando Police Chief Robert Chewning. As best as can be reconstructed, the sequence was as follows:

Two days later the police received a handwritten note repeating the demands for money, and ordering a reply to be mailed to a vacant house at 1603 Mosher Drive. A diagram of the hydrogen bomb device was included to prove the threat was authentic. Police took the drawing to nearby McCoy Air Force Base, where an armament officer concluded yes, it would probably work.

The note indicated that if the police wanted to know where the material came from, all they had to do was call the AEC, because the material was from its shipments. Orlando contacted the FBI, which notified the safeguards division of the AEC and asked whether any material was missing. General Delmar Crowson, relating the incident in April, 1971, before a Senate appropriations subcommittee, commented, "Well, at the present time we don't have a capability of searching the system in a timely fashion." Crowson continued, "We found nothing missing and we notified the FBI the following day. . . . "

The million dollars was assembled and the ransom would have been paid, but the would-be bomber was found through conventional police methods. The vacant house where the reply letter was to be sent was staked out, but a curious neighbor saw the letter in the mailbox and foiled efforts by removing it.

Neighbors were questioned. They recalled that a local boy had recently reported to the sheriff's office that he had found a bomb. It proved to be a dud. Others remembered that the same boy had been mowing the lawn at the house on Mosher Drive.

The boy's mistake was in writing one of the notes in longhand. The police got a handwriting sample of the neighborhood youth and found that it matched the note. The boy was arrested at the local high school the following day.

The 14-year-old was an honors science student. His sobbing mother said her son wanted to be a scientist or engineer, and that, "He would write or tell people about this new rocket fuel he invented, but no one took him seriously. He read books by the hundreds about rockets and built model rockets as a hobby."

The Orlando *Sentinel* ran six articles on the arrest and a follow-up to the threat to "blow up" the city, but never mentioned that the blowing up would have been done with a nuclear weapon. Knowing it was a hydrogen device gives a chilling twist to the comments reported in the paper.

An open trial on the matter, and possible leakage of the news that a hydrogen bomb was the threatened weapon, was avoided. The student was given a suspended sentence with the stipulation that he receive psychiatric treatment and was released under the supervision of a juvenile court counselor and local psychiatrists. Juvenile Court Judge J. Chester Kerr called the ruling "tailor-made," saying, "I do not believe that he expected his action to be taken seriously." The straight-faced judge somberly told those present that

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if the boy was placed with hardened criminals, "especially considering the youth's knowledge of science and rocketry," he might develop bad attitudes and associations which could divert his talents into a destructive vein. To "channel his scientific abilities in the proper direction," the chief engineer of Martin-Marietta Corporation in Orlando and the wing commander at McCoy Air Force Base agreed to assist in counseling the boy.

Muffing It

The public never learned of the incident, but word spread quickly among police departments across the country. AEC officials have even met informally with police chiefs, and raised the question of what would be done if they received a nuclear bomb threat. Evacuating a large metropolitan city would surely mean panic and the possibility of accidental death for scores of people. Whether the result of a hoax or actual nuclear threat, the condition would be nightmarish and intolerable.

What makes it all the more frightening is that the AEC couldn't honestly assure Orlando—or any other town faced with an immediate nuclear bomb threat—that no material was missing.

In the Orlando case, the FBI's call went first to Dr. C. D. W. Thornton, former director of the AEC's Division of Nuclear Materials Safeguards. "We passed the word around the office," Thornton said, "and had our regional people contacted to see if all shipments were accounted for. The best that Orlando could be told was that there were no overt displacements or missing shipments. But there's no way of knowing if a portion of any shipment had been smuggled out at some point, either in transit or at a plant."

When contacted by phone, Orlando Police Chief Chewning said: "We had been assured by the general in Washington [General Delmar Crowson, Dr. Thornton's former safeguards counterpart on the management side of AEC] that no material had been stolen. But, Lt. Wayne Henderson, who worked on the case, found a magazine article about missing nuclear material, and it mentioned this same general. When asked about it again, he admitted to us that the material might be gone. It was a very tight situation."

This whole question of plant controls and keeping track of fissile material is a touchy issue for the AEC. It hates not to know where the stuff is, but controlling it more tightly would mean an unpleasant confrontation with the private nuclear power industry it has so carefully nurtured. (Over the next eight years, the AEC expects to pass on license applications for 150 nuclear power reactors, worth a total of about $45 billion.)

The compromise approach chosen by the AEC is a "checkbook" system —making audits of the material at each stage of processing, and then looking to see whether any is missing. But this does not do the job, because there is always *some* material missing. This deficit—which the AEC calls Material Unaccounted For (MUF)—arises from inevitable processing losses. Some of the material blows out through vents, sticks in pipes, falls in among scrap, is tracked out on workers' gloves or lunchpails.

The best the AEC can do is estimate the normal MUF and work from there. The average MUF for plutonium, for example, is .2 to .5 per cent, sometimes rising to one per cent. But the crudeness of these estimates—the fivefold difference between .2 per cent and one per cent—may be enough to conceal important losses of material. There is no way of knowing whether all of it is processing loss or whether half represents pilfering. In some of the larger experiments involving, say, 800 kilograms of materials, the uncertainty could conceal several kilograms of stolen material—enough for a bomb.

Within the AEC, responsibility for controlling losses lies with the Division of Nuclear Material Safeguards. Until recently, Dr. Thornton, the man

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who took the Orlando call, was in charge of the division. While director, he pushed hard for tighter safety regulations. He urged, for example, mandatory monthly inspections of plants to take a physical inventory of materials. Since this would mean monthly plant shutdowns, the industry was particularly incensed. Last year Thornton was reorganized out of his job, under rumors that the industry had applied pressure against him. Thornton simply admits, "Yes, I was fired."

Under present conditions, only luck can keep some band of terrorists or an ambitious nation from taking the quick, cheap step to nuclear status by simply stealing the ingredients for a bomb, and making it themselves.

More than one bomb-amount shipment of material has reportedly been aboard planes hijacked to Cuba. According to Cornell University political scientist Lawrence Scheinman, contributor to several monographs on nuclear safeguards, the hijackers didn't realize what was aboard — and, to the relief of AEC officials, apparently neither did Cuban airport inspectors. The Cubans returned the planes, through benevolence or oversight, with cargo sections intact. Washington atomic consultant Dr. Russell P. Wischow, Thornton's predecessor as AEC safeguards chief, acknowledges: "I was involved at the AEC at the time and am aware of the incidents, but it would be improper for me to discuss it, as it may be a matter of national security."

Shipments of enriched uranium and plutonium are regularly sent, unguarded, by air and truck all over the country and overseas. Domestic air shipments go on normal, commercial flights; the material is not shipped in special, secret compartments, but goes in with the suitcases and golf bags. The truck shipments would be even easier prey for hijackers, since the drivers have no escort, no radio transmitters, and no weapons.

The radioactive material can simply get lost, like any other kind of baggage. For example, in April, 1970, a drum of waste containing a small amount of high-grade uranium was consigned for delivery from one firm to another in the same California city. Instead, it was routed to Tijuana, Mexico. The official report on the incident was imaginatively entitled "Inadvertent Export of Special Nuclear Materials."

Perhaps most alarming, there is no way to make sure the drivers or plant technicians themselves might not walk off with the isotopes. One could easily don a TWA cargo worker's white overalls and cart the stuff off. Like any other bit of merchandise, it sits on a pallet in a warehouse. Even more conveniently, due to Department of Transportation rules, it is labeled "Radioactive Material."

In its early stages, the atomic business was strictly a top-clearance military operation. The new private industry era of atomic plants and the decisions to speed up overseas reactor development has introduced a dangerous double standard—strict security is required for all phases of the military nuclear production process, which leads to the manufacture of an actual weapon; but little or no security is imposed at, say, the private reprocessing plant, where huge quantities of nearly bomb-ready plutonium from old reactor rods are constantly handled.

Missing or Unaccounted For

In 1966 a U. S. contractor operating a fuel-fabrication plant reported that more than 220 pounds of Uranium-235 had either been lost or "unaccounted for" over a six-year period. The amount was enough to make five Hiroshima-type bombs. This led to the convening of an outside review panel, and the creation in 1967 of a new office of safeguards and materials management within the AEC. Since that time, confidence has not noticeably increased. The AEC

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and the Department of Defense are, in public, either silent or blasé, but privately they are becoming increasingly concerned about the threat of nuclear blackmail.

The potential for blackmail seems almost limitless: sabotage of atomic plants; theft of just a few of the thousands of nuclear warheads stationed at our military bases in the U. S. and overseas; a sailors' rebellion, leading to the takeover of an aircraft carrier with A-bombs aboard; or, as actually was threatened by hijackers last November, crashing a plane into a major nuclear plant, like the one at Oak Ridge, Tennessee. All of these are considerably easier because of the ways in which we have invited nuclear sabotage: surrounding our major cities with nuclear power plants, complete with four-lane access highways; encouraging a world-wide speed-up of nuclear power programs; dropping little caches of nuclear weapons across half the surface of the world.

In the last few years, these hazards have prompted a series of conferences and reports:

▪At a 1969 safeguards symposium at Los Alamos, AEC Commissioner Clarence E. Larson told those assembled that a nuclear black market was "likely" to develop. "Once special nuclear material is successfully stolen in small and possibly economically acceptable quantities," he said, "a supply-stimulated market for such illicit materials is bound to develop."

▪The AEC hired a consulting firm, Wright, Long & Company, to study the threat of hijacking by the Mafia and other organized groups. The investigator reported that the Mafia controlled a number of trucking firms, drivers, and union officials, and that it could "easily" get hold of nuclear materials, which it could supply to "some foreign tyrant."

▪More serious, the Pentagon's Advanced Research Projects Agency a year ago hired a Washington think tank to consider what options were open to officials if they received a threat to blow up a city with nuclear weapons. The study concluded that no present central Civil Defense office or group was prepared to handle such a situation adequately.

▪In late 1972, at the Pugwash meeting of leading Eastern and Western scientists at Oxford, which followed on the heels of the Munich Olympic killings, a heated debate centered on the use of nuclear plants as targets for saboteurs, criminals, or political fanatics. Herbert Scoville, former head of the Central Intelligence Agency's science and technology group and now an arms expert with the Carnegie Endowment for International Peace, argued with the former head of the Soviet nuclear program that, indeed, a terrorist organization could develop its own atomic capability, and that steps should be taken now to guard against that very real possiblity.

Charles R. Newhouser, who directed for two years the now-defunct National Bomb Data Center of the International Association of Chiefs of Police, sums it up by saying:

> With a little bit of rip-off it's possible to build an A-bomb. Militant publications have talked about it, but thank God they aren't ready for that yet. International arms organizations would love to get their hands on such bombs for trade abroad.
>
> They're easy to assemble. An old length of sewer pipe will do.
>
> When I was at the Explosive Ordnance Disposal School in the Army, instructors used to use as training manuals an old copy of *Life* magazine with good diagrams of a bomb. With the usual sense of Army security, someone had stamped the magazines "secret."
>
> There have been a number of threats against AEC installations. A dynamite bomb was on the window ledge of an administration building next to one reactor. No one could explain quite how it got there.

Making a Bomb

While there is some difference of opinion, most experts consider that the design and manufacture of a crude nuclear explosive device, even without previous access to classified data, is no

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longer an extremely difficult task.

How difficult it is to fashion an A-bomb depends on what kind of nuclear material you have to work with, and what degree of sophistication and reliability you are aiming for. The answers one gets as to "how difficult?" cover the spectrum—each expert usually answering according to the quality of bomb *he* would build.

General Delmar Crowson of the AEC says, "We figure you are going to need a dozen people, a very good set of metallurgists, and a very good set of physicists in order not to blow yourselves up, and it is not just a one-man type operation."

Ralph Lapp, a Washington writer and consultant on nuclear matters, says, "About several dozen people, if you know what you're doing, and a very good ordnance man."

Dr. Theodore Taylor, a Washington consultant and former government physicist who has designed nuclear warheads, says:

> If the question is, what does it take to build a nuclear explosive of the type that is in the Minuteman missile, there is one answer. If the question is, what does it take to build a device with a completely unpredictable yield, with a two-out-of-three probability that it would yield more than a tenth of a kiloton, (enough to blow up the Capitol building,) and could be carried in a car, you get a very different answer.

For groups that just want to build the sloppy, little bomb, the answer is that it is not very hard. Once the important first step is taken—getting the six kilograms of plutonium or 20 kilograms of enriched uranium necessary for a bomb—the rest would be a snap.

"Someone who was set up in advance to fashion a bomb could build it in two weeks or less after he received the material," Taylor says. Years ago, the technical data on building simple bombs, like those used on Hiroshima, made its way into unclassified, scientific publications. As the October, 1964, issue of *Science Newsletter* reported, "Aspiring nuclear scientists from all over the world can now find most of the information they need in their public library."

To get the technical data, one would go through the same procedure as in any other scientific research project—starting at the Commerce Department's National Clearinghouse for Federal Scientific and Technical Information and run a title search for specifications and research papers on atomic weapons.

The AEC's own officials privately acknowledge that the AEC's open publications contain virtually all the information a bomb-builder would need.

The next step is to get one of the two raw materials for bomb-building: uranium or plutonium. Until recently, the five nuclear powers had a monopoly on producing enriched uranium, the basic ingredient for most bombs stockpiled by the major powers. That monopoly is now in danger of being broken, as a number of countries experiment with one or more of the 30 processes which theoretically will lead to the relatively cheap production of enriched uranium.

To make uranium good enough for either a reactor or a bomb, the main task is to "enrich" the raw ore. In its natural state, uranium is 99.3 percent chaff and .7 percent grain; the grain is U-235, the fissionable material whose reactions produce power or explosions. The rest is non-fissionable U-238. For reactors, the ore must be upgraded to two or three percent U-235. For bombs, it must be nearly pure U-235—90 per cent or better.

The "enrichment" process that jazzes up the raw ore is, of course, one of the technical secrets the U. S. has tried hardest to guard. But, in a startling move on December 8, the AEC announced that private U. S. companies would be encouraged to build their own enrichment plants, breaking the federal government's monopoly on plants and technology. Industry would finance and own the new plants, with federal supervision only to ensure the secrecy of methods and that no uranium was super-

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purified to bomb quality.

If the slightly enriched uranium that comes from these plants ever reaches the black market, it will put the potential bomb-maker about 60 to 80 per cent of the way to having weapons-grade material. The work required to produce bomb-grade 90-percent uranium would have been largely done, so that even a small enrichment plant could turn it into the makings of a bomb. The continued growth of nuclear power programs ensures that slightly enriched uranium will become an abundant commercial item.

When enriched uranium is "burned" in a reactor, some of it is transformed into plutonium, the second main ingredient for making bombs. Hundreds of reactors throughout the world, burning uranium for the production of electric power, are continually turning out plutonium as a by-product.

The amount of plutonium produced depends on the type of reactor and the operating conditions. A standard 1,000-megawatt light-water reactor (about the requirement for a city of one million people) will produce 200 to 300 kilograms of plutonium per year. Some popular commentators have immediately equated that with 400 Nagasaki-type bombs. But it's not that simple.

The problem for the weapon-builder is that reactor-bred plutonium is highly polluted with the isotope plutonium-240. It has generally been assumed that nuclear electric plants in normal operation do not produce plutonium of sufficient purity to construct high-yield, quality nuclear weapons—though terrorists could still use it to fashion a good, second-rate A-bomb.

But even this plutonium-240 pollution brake on the spread of reactor-to-bomb possibilities will be lost with the development and spread of breeder reactors, whose plutonium is free of P-240.

What makes adequate safeguards so important to experts is the phenomenal rate at which this weapons-grade material will start to stockpile after the breeders go into operation. The numbers are nothing less than staggering. Former AEC Chairman Glenn T. Seaborg gave a speech in October, 1970, outlining "The Plutonium Economy of the Future." He saw the U. S. dependent on plutonium for 70 per cent of its electricity by the year 2000, with a resulting store of 720,000 kilograms of plutonium. Multiply that times the .5 per cent MUF loss now encountered, and it becomes easy to see where the materials for a 5-kilogram bomb would come from.

Easing Manhattan's Congestion

Yet another nightmare is that some crackpots and terrorists might decide to sidestep tinkering with bombs altogether and rely solely on the fiendishly toxic nature of radioactive wastes. Conservative Congressman Craig Hosmer, a senior member of the Joint Committee on Atomic Energy, speculates about "the psycho [who] doesn't know how to build a bomb, but lays his hands on a bucket of plutonium and mixes it into an odorless, tasteless, invisible gaseous compound. For fun and/or profit he threatens to spread the stuff all over Manhattan some day."

Plutonium is toxic almost beyond human experience. It is nearly as hazardous as botulism toxin: quantities of less than one-thirty-millionth of an ounce will produce cancer. If 10 pounds of the stuff were administered with absolute efficiency, they could produce cancer in every human being on earth. Worse, the radioactive half-life of plutonium is over 24,000 years, making possible the eternal contamination of an area.

Conveniently for the nuclear thief, it doesn't take much to hide plutonium. A small bit of metal around it will foil any geiger counter. In its natural metallic form, plutonium could be smuggled in anything, from a set of weights to inside the fender of a car. Customs officers look for heroin, not

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radioactivity.

Military Arsenals

In spite of all the flaws in civilian nuclear fuel handling, most specialists assume that military security is of a higher order. But the six-hour racial melee on board the carrier *U. S. S. Kitty Hawk* raised troubling possibilities. What if rebels commandeered the nuclear bombs aboard a carrier, or worse, a Polaris submarine? More than one weapons specialist has clicked his tongue, saying, "It's a whole new ballgame." The prospects of a floating Bomb are not dismissed lightly, even by those who assure you there will be no chance of anyone getting at the weapons.

Dr. Carl Walske, assistant to the Secretary of Defense for atomic energy, declined an interview, his executive aide saying, "We don't want to get into these questions. We wish to keep it down, for obvious reasons I'm sure you can appreciate."

Congressman Hosmer, dismisses the threat: "So what if Negroes take over the *Kitty Hawk*? They couldn't do anything with them. The area where the warheads are stored would be demolished if opened. And the people with custody responsibility would be the last to take part in a revolution." Hosmer added that what worried him was not theft, but that "with all those locks, you don't know if they will fire in time." One independent consulting group has estimated it would take seven hours to get all the European Theater's nuclear weapons unlocked and ready to go. "You pay a price for all those locks," Hosmer said.

The only public figure who has openly raised the question about the security of our nuclear weapons, especially those stored in foreign sites, has been Senator Stuart Symington, a former Secretary of the Air Force. On May 26, 1970, as chairman of the foreign relations subcommittee on U. S. security agreement and commitments abroad, he questioned General David A. Burchinal, deputy commander-in-chief of U. S. forces in Europe. Senator Symington spoke of the nuclear weapons America has placed all over the world, saying, "at least in some places, we do not guard them properly," and asked the General about the risk of the weapons falling into the wrong hands.

General Burchinal: I do not consider there is much risk that our weapons could fall into the hands of any foreigners, in a condition where they could be either effectively used—

Senator Symington: With great respect, I say I have investigated that myself and I cannot agree. . . . I cannot for the life of me see why there is all this secrecy about the nuclear picture. It is just as hard today to build a hydrogen bomb as cook a pancake.

On January 19, 1972, Senator Symington, returning from a month-long trip to India, Japan, Korea, Okinawa, Taiwan, Thailand, South Vietnam, and Cambodia, was asked at a press conference by John Finney of *The New York Times* about our Southeast Asian nuclear stockpiles, and the danger of their being overrun, as during American withdrawal.

Question: Didn't you say that at the outset, that one reason you took this trip is that you were running into disturbing rumors on how we were handling the stockpiles. . . in foreign countries. Did you come back satisfied that those stockpiles were being handled in a secure kind of way, and can't be taken over by Thieu?

Senator Symington: That's a good question. I was not satisfied with what I found. No.

Question: What disturbed you?

Senator Symington: Well, I can't go into that. That's classified.

Question: Can't you talk about it in general terms without going into the details?

Senator Symington: I think that you can say in a general way that we're not being as careful with our nuclear stockpile in the Far East as we are in Europe. And I'd rather leave it right there.

The only thing everyone seems to agree on is that, fissile materials are like diamonds or any other valuables—somebody's eventually going to try to steal them. ■

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The Ms. Click!, the Decter Anguish, the Vilar Vulgarity

by Suzannah Lessard

Ms. magazine regularly runs articles which might fall under the general heading of "Activism on the Home Front." The subject is often husbands who have at least one foot in the barbaric past. The wife notices the little ways in which he treats her like a servant, or, if the couple is more advanced, in which he cleverly evades his half of the chores. In the current issue, for example, the husband makes the bed, but lumpily, even though he knows perfectly well how to make a bed. Solution: Stand in the doorway and say, "The bed is lumpy. Are you going to remake it while I cook the dinner or am I going to remake it while you cook the dinner?" If you get no reaction, repeat in higher and higher registers.

Activism is a doctrinal policy of the new feminism. Gloria Steinem, editor and co-founder of *Ms.*, considers this policy the major distinguishing factor between today's feminism and the more limited, short-lived movements of the past, particularly in its application to private life. I think that is true, and that the policy is good. What bothers me is the widely accepted theorem that the terms of struggle are the same on the private front as they are in public. When I asked Steinem whether this extension of the field to private life didn't entail confronting issues beyond the strictly political, she said, "The point is that everything is political."

As far as the clear-cut political (in the conventional sense) and social abuses are concerned (equal pay and opportunity for advancement, legal abortion, the female image in schoolbooks, etc.), a straightforward policy of aggressive action aimed at correcting the abuses is healthy, appropriate, and effective. However, though many movement women would disagree with me, I think that the area of daily intimate interchange between the sexes presents a different set of problems and calls for a different approach. For one thing, trying to "correct" or "restructure" a person according to your own lights is not at all the same as challenging an institutional or public practice. It's a questionable sort of endeavor in the first

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place, and usually doomed to failure, particularly when the other person's perspective is studiously avoided. The woman who believes she can "save" her degenerate love comes to mind.

Secondly, this is the one area in which women are most deeply implicated in creating their own predicament and in which men, if they are better off, pay a heavy price for their advantage. To describe the situation as a simple exploitation of innocent victims (women) by the free and powerful (men) is such a distortion of reality that it's hard to imagine a resultant strategy which would have any kind of lasting constructive effect.

My third reason for concern with this attitude is that the dominant accompanying emotion is a fierce, locked-in state of resentment. I understand that resentment, I think it should be aired, and expressing it has a passing therapeutic value. Institutionalizing it, however, is something else. Being emotionally riveted on another person's faults is blinding and antipathetic to growth, and hardly aids the development of a new, more viable relationship. If it leads anywhere, it takes one deeper and deeper into righteous obsession with the minutiae of another's faults and into the grips of an insulated sense of injury inflicted by others—a kind of victim complex.

Mental Health Via Spleen

There is a valid point to the *Ms.* articles. Many women have strong fears of challenging traditional role divisions lest they appear bitchy or unfeminine. The tendency is to turn resentment inward rather than to express it at all. *Ms.*'s readership includes many women to whom feminist ideas are new. Therefore, presenting the feared image and feelings in print has an important purpose insofar as it brings them into the open as human and natural. Yet exploration of, or commentary on these feelings ends there, focused on the shirking husband and holding out the state of mind of the wife in the doorway of liberation. The articles, it turns out, are primarily instructions in the technique of dealing with recalcitrant men. The housework issue is not trivial—the force of the emotions which comes out in these articles is ample evidence that it is not. Given the force, frenzies of spleen like that of the woman in the case of the lumpy bed are healthy. But no matter what the cause, at that moment hers is a pretty degraded attitude toward another human being—inflexible, vindictive, righteous.

Gloria Steinem defended the one-sided view of relationships with men by saying that women have to focus on the cause of their oppression: that in the past they have looked inward for the blame, thus further immobilizing themselves. Changing yourself, she said, is only frustrating if you don't also change the world. She said that entertaining the male perspective and facing the ambiguities of the feminist position would only lead to masochism—the age-old female habit of looking for the cause of unhappiness in one's own failings. In other words, self-examination and self-doubt would be holes in the dikes of newly erected confidence that the woman's cause is just, and the pressure of old habits and conditioning would be too much for them. When engaged in feminist activism, it's of paramount importance for women to believe, without question, that they are *right*. Intransigence is a psychological ploy to counteract feelings of inadequacy, and a good way to become intransigent is to work yourself into a fury over someone else's transgression. Questioning yourself, or considering the perspective of the other person, is, on the other hand, extremely dangerous to intransigence, therefore to the sense of being right, and therefore to confidence.

There are solid reasons behind Steinem's position. Overcoming the tendency to feel inadequate, to shrink from assertion, is a primary problem for many women. Keeping your eyes

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riveted on the "wrongness" of others, in this sense, is a very effective technique, not especially for accomplishing anything, but for overcoming inhibitions. But I cannot see it as anything more than a technique, a stop-gap *substitute* for confidence, a kind of hypnosis which enables you to walk on the water of your shaky sense-of-self until you reach solid ground. One can only deduce from the *Ms.*-Steinem attitude, however, that this state *is* confidence, true self-assertion. Righteous fixation on the faults of people around you insulates you from yourself. Worse, as a general policy, it insulates the movement from itself.

Extending her comments beyond the individual confrontation, Steinem said, "Why do you criticize the movement? Why don't you criticize the system which oppresses women?" Thus, not just individuals, but the whole movement, becomes insulated in the stuffy, ever-recycled air of its hypnotically repeated interpretations of the world outside, definitions formed in terms of injury to innocent victims. These interpretations rarely question that dubious innocence, investigate the perspective of the injurer, or open the door to the kinds of internal questions which would rise to meet other perspectives. This is a mindset dominated by fear. It says that you cannot look inside yourself without self-hatred. It counsels that the antidote to the sickness of the past—heaping all the blame on oneself—is an equally noxious syndrome—heaping all the blame on the other party. What other word but hatred is there for this one-dimensional, non-negotiable attitude towards another's fault, blotting out his individuality, putting him behind glass in the general category of miscreant/oppressor.

Lady Macbeth and Uncle Tom

Esther Vilar stands polar to Steinem, seeing a world of enslaved and manipulated men who can be freed only by women (the injurers). Her book *The Manipulated Man*,* is a perfectly atrocious piece of work, simple-minded, indiscriminately misogamist, and quite often ridiculous: "For social events men are permitted to wear black, a color that shows marks and stains, since on those occasions men are less likely to dirty themselves." This book was a smash hit in England last year, and promises to do well on this side of the ocean, too. Though she does it crudely, Vilar proves one thing: that without departing wildly from reality you can describe men as the victims of an elaborate female con as well as the other way around.

Female manipulation of man is, of course, older than history. Feminists have recognized it and rejected it as the recourse of the slave, analogizing it to an Uncle Tom's deft ability to "handle" white folks. The analogy works well in that women use many of the old slave ploys: coy subterfuge, flattery, the immunity of inferiority, but most of all, a man's own image of himself as a strong, responsible decision-maker. Putting his manhood—masterhood—on the line, chiding him by calling him woman-like is the most effective tool available to the Lady Macbeths of the world.

The analogy, however, ends here, somewhat abruptly, as do most analogies between feminism and conventional political movements. Lady Macbeth contemplated becoming Queen, which may not be as good as King, but which hardly fits in the slave category. To switch to a more modern context, the picture of the pampered, well-to-do wife, lying on the beach in Nantucket, children tended by hired help, while her husband braves the summer subway to Wall Street, is not what you could call the classic master-slave relationship. This is not an unusual situation for an upper-class couple. As one moves down the income scale the wife does more—in the working class she is often forced to take on the double duty of a

**The Manipulated Man.* Esther Vilar. Farrar, Straus & Giroux, $5.95.

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job as well as housework. But the elements which are full blown in the upper-class situations (fitting the master-slave analogy only if the roles are reversed) are imbedded in the family structure from top to bottom.

Esther Vilar writes about these elements, but in a grotesquely distorted way—she will be widely read by women who are afraid of feminism, but she will neither sting nor enlighten them because her portraits of female manipulators and their prey are too exaggerated for any woman to recognize them as a piece of her own life. Men will also read it, perhaps more avidly, because it will gratify their sense of being wronged, much as the feminist housework literature fans the sense of injury and legitimizes resentment by drawing such a dehumanized, abstract picture of the oppressor as a robot geared to one purpose—getting its way—that the reader can conveniently forget that there are people underneath all these categories.

But while the details are often ridiculously off target, as a whole, Vilar hits the side of the barn: men wear themselves out cutting the mustard, and housework notwithstanding, one of middle-class woman's major problems is idleness, or disuse. Men do this not just because they want to hog all the power and the fun; we all know of plenty of men who suffer terribly from the demands of competition and careerism. They often pursue these courses because they have been conditioned to believe that their masculinity—their measure of worth—depends on success in these terms, and women have learned to play upon this conditioning with instinctual expertise. True, women often do this because they have so little sense of their own worth that they measure their self-esteem by the "success" of their mate.

Feminist literature is replete with rejections of the "cut the mustard" mentality but is very weak on the ways women play on it. If mentioned at all, female manipulation of men is usually dismissed with the questionable master-slave analogy. The way women measure their worth by their husbands' is also regularly discussed, though usually in terms of the world's habit of doing so: "That's Emma Clark—she's married to Dr. Jonathan Clark, the physicist." The implicit directive is for Mrs. Clark to be both angry at the world and resentful towards Mr. Clark for blocking the way to an appreciation of herself on her own merits. But is resentment really an appropriate, or even useful, response? Rather than by noting all the little ways in which Mr. Clark reinforces this definition, doesn't she stand a much greater chance of changing the situation by noting the little ways in which she reinforces this definition by applying to him a career-masculinity standard she does not apply to herself? "Are you a man?" Lady Macbeth challenges her husband whenever he has second thoughts about murdering Duncan. Not many of us measure up to Lady Macbeth for bluntness, but the variations on this theme are endless.

A commonly adopted feminist line is that women should not take the blame for their contributions to this behavior pattern because they have been conditioned to behave this way, therefore it's not their fault—like a slave, this is the only way someone locked into an inferior caste can react. If this is so, then the first act of breaking out of the conditioning would be to take control of one's own responses—to hold oneself accountable rather than to react in automatic patterns. I think the conditioning arguments are pointless if they are used to abdicate from responsibility by personifying the Villainous Conditioner in other individuals while remaining blind to its representatives in yourself. The actual work of restructuring personal relationships is much less a matter of overthrow than it is of untying knots. For instance, it has been observed that men often resist housework not because they are lazy but because they feel it's "woman's work" and that doing it

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makes them less masculine. Cultural conditioning no doubt is the villain here, too, but how much is it reinforced by women who push this value system on men in other contexts, by the millions of innuendoes and subtle reactions which signal measurement on the mustard-cutting scale?

Rooting out the Lady Macbeth in oneself is no mean task: her stronghold is not in the mind but in reflexes which lag far behind the mind—the little things, like feeling personally let down when a man you are with fails, slightly contemptuous when he refuses to compete, or ashamed when he is beaten. The mind may reject these reflexes and crush them a second after they surface, but unfortunately they have high communicability. Isolating and examining them goes a lot further towards loosening the knot than fixating on a male partner's reflexes—reflexes beyond your jurisdiction.

Esther Vilar does nothing so constructive. If anything, her belligerently mysogynistic attitude and outlandishly inaccurate description of female behavior will probably crush whatever glimmer of insight a genuinely interested reader might have. If the feminist movement had the equivalent of the CIA's Department of Dirty Tricks, it might well have subsidized this book, which takes the strongest argument against feminism and so debases it that the argument might never be heard from again.

Poor Midge

Midge Decter's *The New Chastity and Other Arguments Against Women's Liberation** is one of those books whose reputations run before them. The standard response seems to be "Poor Midge, she's so repressed," and "Maybe someday she'll allow her anger to come to the surface." While dismissing people you disagree with on grounds of their mental health doesn't do much for your credibility, these comments, and the opinion that the book is a blind, fearful attack are not entirely without cause. On a number of occasions Decter lashes out so vindictively, not just at feminists, but out of context at hippies, radicals in general, and homosexuals, that, given the terms of reason and persuasion in which the essays are cast, the sudden irrational force makes one gasp.

The essays, which on the whole are thoughtfully—if somewhat over-elaborately—written, deal with housework, sex, wifehood, and motherhood and are all directed by one thesis: that the new feminists are actually recoiling from the freedom and responsibility they claim to be seeking and that they are recoiling because they are afraid (like hippies, homosexuals, and radicals) of growing up, facing their own mortality, and experiencing something she calls "adult anguish." She never defines "adult anguish," except to suggest it's something men undergo in the tough world of competition, and women undergo as wives and mothers. With equal vagueness, she warns that by pursuing the feminist course (a retreat into childlike will, all "men, women, and babes in arms, live to reap the whirlwind."

In the process of this vituperative effort to drive feminists into the ground, Decter makes some very acute observations which will probably go unexamined because of the unfortunate tone of the book. In developing her thesis, she repeatedly attacks the notion of compulsion which imbues feminist rhetoric. (A sense of compulsion is the helpmate of the sense of injury.) Against the idea that women are railroaded into subservient roles, she posits that in an era in which women are more widely and thoroughly educated, have a greater opportunity to pursue professions, and have the least pressure on them to marry early, American women wed younger than ever before. She goes on to point out that, having married, women have unprecedented control over the function which in the past

**The New Chastity and Other Arguments Against Women's Liberation.* Midge Decter. Coward, McCann & Geohegan, $5.95.

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has played the greatest role in constricting them—childbearing and motherhood.

She points out that this control over childbearing adds a new, terrifying dimension to procreation. Because having a child is a matter of specific choice, not just a question of having "a" baby, but of having *this* baby *now*, a parent has a responsibility for the child previously considered a burden borne either by God or by Chance. "The whole complex [of] involuntary and unseen reproductive potential that she carries about as a secret within her has now willy-nilly come to be experienced as a force preeminently subject to her will." Decter observes that since "the last placing of the bet" in the parental decision of whether or not to have a child probably lies with the wife, "her children are her responsibility as, to be sure, helpless children have ever been the responsibility of their mothers, but this time with a new and fear-inspiring dimension added. She feels herself to be responsible not only for their care while they yet remain helpless, but to be responsible—she, not nature, not society, and not even, except for a minority of cases, her husband—*for the very fact of their existence.*"

Back to the Nursery

Moving forward from this extremely acute observation, Decter, in conformity with her thesis, says the revolt which describes itself as against compulsory sex roles—against "anatomy is destiny"—is really a revolt against choice and the responsibility which comes with choice. By saying that they are being forced in a time when they clearly have the most choice—when for the first time anatomy is *not* destiny—women, Decter concludes, are really saying they can't stand the heat—the "adult anguish" or the accountability involved in being responsible for their choices and hence by attacking motherhood are really seeking to retreat into a child-like state of unaccountability.

Feminist doctrine would dismiss these statements by saying that women don't really have this choice because the culture tells them that a fertile woman who decides to have no children will die having lived half a life. There is no doubt that many women have felt pressured to the point of pregnancy by cultural indoctrination, when "deciding" whether or not to have a child. But Decter is right when she says that the pressure is less now than ever before (though she overlooks the fact that this is due in significant part to feminist efforts). The pressure is weakest of all in well-educated, sophisticated urban circles, to which the most vocal feminists, the writers, editors, and public figures, belong.

Decter weakens her case by ignoring social pressures, but she does hit on a dilemma which faces a woman once she rejects those pressures. The insight here for me is not that men shouldn't feel obliged to share the everyday burdens of child-bearing after all, but just that the more autonomously a woman decides to have a child—the more the burden of ultimate responsibility for the child falls on her shoulders—an idea at odds with commonly accepted tenets of feminism.

Feminist thought recognizes this element of choice and responsibility when lauding the single woman who decides to have a child because she wants one, but decides not to bring a man in on the responsibility of bringing it up because she doesn't want to be part of a couple. From this one would assume that responsibility for children is something men are invited to share, and not an obligation implicit in fathering. But there is a distinct sense of being hoist by one's own feminist petard when one juxtaposes such a heroine of independence with another heroine demanding that her husband take on his "rightful" share of child-care duties. Which is it? The question isn't about allocation of duties which can be divided in in-

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numerable ways but about the bases on which a woman negotiates changes in a given structure. Are compulsion and injury legitimate bases, given the measure of control she has within her power?

One can tell just by the vibratos in Decter's prose not only that she believes the traditional role is proper, but that it has been magnificently enriched by this new element of choice. Her observation that modern seriousness about child-rearing is a result of the "fear-inspiring dimension" of choice rings true. I part ways with her, however, when she so enthusiastically embraces this sense of responsibility. Over-concentration on one or two carefully planned-for children, and a tendency to take their performance in the world as a reflection on the parent—a failure to see children as autonomous spirits—are among the more invidious effects on children of the much-maligned nuclear family.

Decter as Hard-Hat

There is a big gap between Decter's finely worked points (surrounded by scattershot) and her apocalyptic whirlwind—her beliefs are matters of faith rather than the work of logic. The faith comes first, fully intact: sex-role distinction is order. "For such differences. . . do in themselves constitute the most fundamental principle of the continuation of life on earth." The reasoning is mere embellishment—neatly paved roads which go just so far into the desert and stop. There Decter finds herself where she has been all along, pointing Cassandra-like, at the "apocalypse in the distance." Though her book could be seen as a defense of the status quo, in the end she is not saying that things are good the way they are, but that if you dare change them, an unnamed disaster will strike.

Life is tough, Midge Decter says, but that is the way it is supposed to be. Growing up means facing the music, not trying to change it. Looking for another way is an effort to lose oneself—you have to test yourself against the anguish in order to find yourself. The grimness of this directive, backed up by the arbitrary threat of disaster, draws such a heavy, unyielding picture of life that one questions why she is so committed to perpetuating it. But she does not allow questions; the questioner is automatically branded as immature, fleeing from the demands of life into childhood. Gloria Steinem employs the same sort of closeout: questioning is the equivalent of masochism. One can hear the dialogue between the two: "Flagellant!" "Chicken!"

Decter's excesses remind me of a hard-hat drunk, hitting the same point too harshly and too loudly and too many times, breaking into startling eloquence and then throwing it away with extravagance. But something she has seen has made her angry, and as with the drunk, one knows, as one pushes her away, that she has a point—that she *has* seen something. It's true that a general sense rises out of feminist literature that no great effort is being made to distinguish between which "oppressions" are due to correctable injustices and which are due simply to the human condition. Most of us have run into feminists who seem to have mistaken personal problems for political issues, or who attribute their lack of success to bias when actually their work is inferior, or who have developed such persecution complexes that they meet any disagreement, obstacle, or bit of bad luck with a chip on the shoulder and a feminist flag.

When individuals behave this way, one looks at the problem as a personal matter—perhaps a necessary phase, or a defense, or a neurotic exaggeration—but in general as an avoidance of some sort, a way of staving off life, and one hopes the person will work it through. But when this sort of distortion is institutionalized, it should be challenged. It's institutionalized in a negative way in feminist literature by a general tendency *not* to make distinc-

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tions between life's terms and correctable injustices, or even to raise this obvious question. Defensive avoidance comes out affirmatively in Gloria Steinem's views: you should avoid self-questioning because looking inside will immobilize you—in other words, because you are scared of the answers. Refusing to be held accountable for your major life-decisions or for the character of the relationships you have had a hand in building—to blame whatever cannot be pinned on someone else on "conditioning"—is likewise an avoidance, more like abdication than taking control.

Groan and Bear It

But the anguish theory of life—the grim buckling-under, "taking it on," being a woman (sigh) or a man (groan) —is no solution. Having taken on this attitude for oneself, one imposes similar expectations on one's partner. Fanatical housekeeping, fanatical careerism, and fanatical child-rearing is a vicious circle of aggressive sacrifice—for my husband, for my wife, for our children—in which you "suffer" and expect something back. The aggressive impulse to reduce another person takes form in the accusations hurled when a member challenges the structure. It tends to come out: "I've sacrificed and you're not giving back."

The impulse to reduce another person is one of the ugliest human traits. It's also one of the commonest manifestations of the sex-role structure. Beating another with your sacrifice is one way. The others are through the innumerable devices available to reduce a person according to sex-related standards. The offense, when a woman feels disgust for a man because he won't compete, or a man for a woman when she does, is that in their eyes they stop seeing a person and see instead an abstract integer which doesn't measure up to an abstract standard. It's like saying, "You're nothing but a Drunk," "You're nothing but a Coward." Once you perceive a person this way, all empathy, all flow of feeling, is cut off.

Steinem, and feminism in general, aim to break down these structures in which people look at each other through abstract standards of measurement, in which they reduce and manipulate each other, and rather than trying to discover the person, attempt to impose on another what he or she should be. The emphasis on male misbehavior in the most intimate relationships, however, only seems to substitute one rule for another. The man in the lumpy-bed episode is, most of all, humiliated, reduced.

A running motif in the pages of *Ms.* is drawn from an article in which a woman recognizes innuendos of discrimination and "clicks." Out for dinner with their friends, Bob tells wife Sue to help hostess Jane clear the table. Suddenly, Sue recognizes the put-down. "Click." The magazine's letters pages carry at least one example from a woman who has "clicked." The click symbolizes to me all that is off-base in the Steinem philosophy. Both the mind and the emotions grab on to someone else's fault. He is frozen in his fault—click—no way out, she has him. There is no longer a person sitting on the other side of the table, there is a Male Chauvinist Pig. For this abstraction one can feel only contempt, hostility, and resentment—feelings which annihilate the one basis on which problems can be sanely worked out: the perception of each other as people, no matter what either might do, and the desire to understand each other.

Having frozen an individual into an abstraction, the rest follows naturally —vigilance at every turn, the contemptuous wrath a hair trigger away from the surface, seeking out breaches, the monitor registering clicks. Liberation, like oppression, is an overused word, blurred and toneless like a loose guitar string. But whatever inspiring possibilities the word might have once suggested with regard to freeing ourselves from the categories which thwart the way people perceive one another, this is not one of them. ■

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The Screwing of the Average Taxpayer

by James Fallows

Late this month, as Congress reconvenes, Representative Wilbur Mills will announce that tax reform season is with us again. A year or two later, after debates, studies, vetoes, and compromises, a Tax Reform Act of 1973 or 1974 will emerge, advertised no doubt as a significant step toward tax justice, a boon to the average man, and the only way to cover the rising federal deficit. More likely, it will be yet another touch-up job for our corroded tax system, painting over areas where the acid has seeped out without doing anything serious about what's wrong inside.

The last time we went through this cycle, in the months leading to the Tax Reform Act of 1969, there were the same big promises and the same small deliveries. If there was ever a time when the federal tax system was ripe for overhauling, 1969 was it. The fiscal dream-world of Lyndon Johnson's last few years—when he wishfully imagined he could buy both guns and butter without raising taxes to pay for either—had come apart, spawning the inflation we now know as a permanent part of life. When the tax rise finally came, as a 10-percent surcharge slapped on in 1968, it was both clumsy—because it tried to squeeze more money from a tax system whose basic flaws had been known for years—and too late. This could have been the occasion for a new Republican President to take a swipe at Johnson by closing up the old loopholes or for Congress to insist that the surcharge be replaced with some real reform.

Instead, what touched off the "taxpayer revolt" and led to its product, the 1969 Act, was not so much a concern for the ills of the system as two immediate irritants. One was the result, simply, of the government's

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shortsightedness. When the surcharge was imposed, the income tax withholding rates stayed at their old, lower level. That meant that at the end of the year, families accustomed to a comfortable rebate from the Treasury found themselves owing hundreds of dollars in extra taxes.

At just this unsettling time, Treasury Undersecretary Joseph Barr added a second bit of fuel. When testifying before the Joint Economic Committee in early 1969, he noted offhandedly that 155 people making more than $200,000 had not paid any income tax in 1967—21 of them with incomes of over $1 million. Barr wound up with warnings of a "taxpayer revolt if we do not soon make major reforms in our income taxes," and to be sure, there was a lot of talk about both revolution and reform in the following months. But, if revolutions are limited by the vision of their supporters, this taxpayer revolt was quickly stymied by the skin-deep perspective of most of its advocates. It was as if the French mobs had called off the guillotines and uprisings once they got a few crusts of the bread they had originally asked for.

The crust tossed out by Congress was a tax reform bill that removed the gaudier, more flagrant abuses—examples muckrakers could use in their stories, the no-tax illustrations that could drive a man mad when he looked at his own depleted paycheck —without tampering with the basic mechanism. To take care of the high-income tax dodgers, Congress invented a "minimum tax" of 10 per cent to be imposed on those who would otherwise owe nothing. Even more than other bits of congressional fence-mending, this contrivance set economists wondering whether congressmen ever thought about what they were voting for.

The minimum tax is a perfect example of cosmetic legislation, which admits by its existence that tax preferences sheltering the rich are not fair, but still refuses to change the preferences. The closest the Act came to tampering with the preferences was a dainty adjustment in the oil depletion allowance (lowered from 27.5 per cent to 22 per cent) and an equally mild rise in the tax rates on capital gains (increasing the maximum rate for gains over $50,000 from 25 per cent to 35 per cent).

Buying Off the Revolution

Then it was over, the energy of the taxpayer revolt spent almost before the bill passed both houses of Congress. To what end? Thomas Field, a former Treasury lawyer who recently resigned to set up Taxation With Representation, a public-interest lobbying firm, wrote shortly after the bill's passage that it "may actually have entrenched existing tax abuses more firmly, by reducing the outrageous excesses that scandalized the public, while failing to eliminate the basic abuses themselves."

In the years since, the old familiar loopholes have been joined, and perhaps overwhelmed, by a host of new ones, most of them the result of President Nixon's New Economic Policy. These corporate tax breaks, like the Asset Depreciation Range (ADR) system and the Domestic International Sales Corporations (DISC), will take billions from the Treasury—an estimated $80 billion in in the next decade. In an administration that uses an axe on the federal budget, lopping off whatever it can, these giveaways show how far a faith in the trickle-down theory of business and government can take politicians.

Unfortunately, the latest taxpayer revolt has not come much nearer to the fundamental problems than the earlier one did, having been diverted instead to a few of the gaudier excesses. To many tax reformers, the "real" issues seem to be either unconnected questions, like property tax relief, or isolated cases of men or companies who have beaten the system. Unless this general tone changes dramatically, it is a safe bet

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that much of this year's tax debate will glide over the frozen surface of the tax system without looking at what lies beneath.

The tragedy is that now, even more than in 1969, the whole tax system needs the kind of change a taxpayer *revolt* implies. The federal tax code is not a leaking vessel in need of a few patches; it is a ship steaming in the wrong direction that must be turned around or sunk. Completely apart from issues of wealth and equality—that the distribution of income has not changed in 15 years; the richest fifth of the population earns eight times more than the poorest fifth; two per cent of the people controls 43 per cent of the wealth—the problem is one of waste. The tax system has turned into the biggest and most profligate program of government subsidies, piping $55 billion out of the Treasury each year, most of it to the rich.

Don't Fence Me In

When the income tax was first introduced some 60 years ago, the idea was simply to tax *all* income—without fancy distinctions between factory wages, profits from the stock exchange, real estate windfalls, or earnings from the farm. The tax rates have gone up and down over the years, but they still reflect the idea that those who can afford to pay more, should. In recent years, another reason for progressive tax rates has emerged: if the rich get the largest share of government subsidies and bask in the sun of government spending, then it's only fair that they pay for what they get.

After the earlier, common-sense definitions of taxable income, the lawyers and accountants ganged up to make the system complicated. Part of the tax system's story has been that of a closing frontier: larger and larger chunks of the income range have been tucked behind tax-free fences, safe from the government rustlers. Meanwhile, the remaining parcels are trampled on all the more heavily.

Behind this erosion of the tax base lies an essential difference in political faith. While liberals have acted as if government programs could solve any problem (taking more money in through taxes, then spending it), conservatives have placed equally boundless faith in tax incentives (not taking the money in the first place, then not spending it). However satisfying it may be to think of trimming back some government programs, tax incentives don't look like the solution to the problems. On the surface, tax incentives follow the logic handed down from Coolidge to Ayn Rand and on to Nixon that a dollar not run through the government mill is a dollar ennobled. In practice, they amount to income redistribution toward the rich.

The point easily overlooked is that tax breaks are really no different from government spending. From the Treasury's point of view, a preference that cuts tax receipts by $1 million is just the same as a new $1-million spending program. The money that doesn't come in from one group of taxpayers must be wrung out of the rest, or else taken from other government programs. This "tax expenditure" approach to the revenue system means, most importantly, that tax expenditures should be judged by the same standards of economy and efficiency that budget-cutters apply to other federal expenditures.

The New Budget

Until fairly late in the Johnson Administration, no one bothered to take the dimensions of the tax-expenditure programs. Then Stanley Surrey—the Treasury's assistant secretary for tax policy, who now teaches law at Harvard—drew up the first "Tax Expenditure Budget." His figures have attracted surprisingly little attention in the press, although they are as revealing as the regular federal budget, and far more outrageous.

The 1971 version of the tax budget

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shows a total of $51.5 billion in tax expenditures—more than the budget for any government agency except Defense or Health, Education and Welfare, dozens of times greater than anti-pollution programs, enough to give McGovern's much-loathed $1,000 grant to a quarter of the people in the country. The biggest single item in the budget is the revenue lost through special capital gains tax rates. This is estimated at between $6 and $9 billion, all nominally going as an incentive to investors. Another $2.6 billion is lost from the tax-free interest on state and local bonds, $2.7 billion from property taxes paid to local governments, and $2.4 billion from the clause that lets homeowners deduct the interest on their mortgages. The oil-depletion allowance gives the corporations a $1-billion break, and the investment tax credit provides about $1.5 billion.

To those receiving them, the tax payments have special appeal. Other government subsidies have finite time limits. When they run out they must be dragged through Congress again, past the perils of committee chairmen, eagle-eyed Office of Management and Budget auditors, and finally a tight-fisted Executive branch, quick with the veto. But a tax break, once enacted, quietly does its work forever, becoming more valuable as tax rates rise. Until a few years ago, when Surrey's expenditure budget was first prepared, no one need have known about the tax breaks at all. No committees could hold hearings to find out whether the program was worthwhile; no General Accounting Office could appear to check where the money was going.

Now that these programs are out in the open, they make for amusing comparisons with the normal federal budget. Government spending for low-income rent subsidies, for example, has shrunk in recent years from the $100 million Johnson requested in 1968, to the $50 million Nixon asked in 1969, to the $23 million Congress finally approved. Meanwhile, about 30 times as much federal money, $750 million, has been flowing out each year as rent subsidies for the rich, in the form of real estate tax breaks. This accommodating system not only guarantees the country an adequate supply of resort motels and luxury apartments, but also allows the rich taxpayer (through a device too complicated to explain) to save several times as much in taxes than he invests in real estate.

Slick Operators

It is not always clear that tax subsidies are the best or most effective way to use government money. The various tax breaks given the oil industry, for example, were intended to compensate the rugged drillers for their unusually risky trade, and to make sure that America always had enough oil in the ground to face with confidence a future of energy crises and angry Middle East governments. But, as shown by the report prepared for the government in 1969 by the CONSAD consulting firm, the tax-break approach to the energy crisis was less than effective. Forty per cent of the tax breaks went either to foreign operators or to "nonoperators"—people who happened to own oil-bearing land but who hadn't done much to advance oil exploration. In all, the report concluded, the oil industry's tax breaks cost $1.4 billion but generated only $150 million in extra oil reserves.* A simpler, cheaper solution might be to end the depletion allowance and pay a $150-million subsidy for the reserves. This does not seem to be part of the Administration's plans for cutting bureaucratic fat. As Nixon indicated last summer to oilmen gathered at a barbecue in Texas: "I strongly favor not only the

* Similar studies show that the exemption for state and local bonds, designed to help the poor municipalities finance their projects, costs the federal government about twice as much as it saves the cities and states. The difference ends up with those who buy the bonds, 80 per cent of them in the $50,000-plus income bracket.

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present depreciation rate, but going even further than that, so we can get our plants and equipment to be more effective. . . . Let us look at the fact that all the evidence shows we are going to have a major energy crisis. To avoid that, we have to provide incentives rather than disincentives for people to go out and explore for oil. That is why you have depletion, and the people have got to understand it."

Nixon's host at the barbecue, John Connally, has waxed equally rhapsodic about the value of the capital gains tax preference, claiming that to end it would not only plunge the Dow Jones average below 500, but also permanently maim U. S. industry as it prepares for the economic battle with the Germans and Japanese. Both dangers were avoided when, earlier in the century, capital gains rates were

Death of the Christma

One of the heartwarming moments of the 1972 tax season was the defeat of the "Christmas Tree Bill" in Congress. The bill, which started life as a minor change in insurance agents' taxes, ended up bedecked with many special-interest baubles. As Congress neared adjournment, the bill was stalled in the House, and action shifted to the Senate. What happened is reported by the public-interest group, Tax Analysts and Advocates:

On Friday, October 13, Senate Majority Leader Mike Mansfield, speaking to a largely empty chamber, warned that he might have to call up for debate "one or two bills" from the Senate Finance Committee, because a number of senators were interested in adding amendments to them.

That evening, Finance Committee Chairman Russell B. Long took the floor to "file a committee report." Instead, he inserted into the Congressional *Record* descriptions of 13 "legislative proposals." Some of these proposals were previously introduced bills; others were Treasury recommendations. In Senator Long's words, some had "been before the Committee for a long time," and some had "been discussed, but. . . not. . . proposed until recently."

Senator Long said that there wasn't time to hold hearings on the proposals but that an executive session of the Finance Committee had that week informally endorsed them. The proposals, he said, "involve a relatively small amount of money as revenue measures ordinarily go." Besides, he added, they were unimportant enough that the President could veto them if he wished. "For the most part, they are not matters of any great consequence. One or two of them might involve a substantial amount of revenue, but most of them are relatively minor amendments."

This innocuous description intrigued several senators. Lawton Chiles attempted to get a promise from Long that no votes would be taken until a report from his committee was available. William Proxmire took the summaries back to his staff and examined them. What Proxmire found irked him enough that the next day, Saturday, October 14, he announced he would "object and fight and oppose as long as I can, any amendments. . . that have not had hearings. . . and. . . a report, where. . . there is. . . a revenue loss." In the face of this stand Senator Long dropped amendments that would have been worth an estimated $225 million to five special-interest groups.

In the course of the ensuing floor debate, 19 more special-interest provisions were added to H. R. 7577. Not as spectacular as the deleted items, they would nevertheless have caused a revenue loss of several million dollars:

■For the benefit of West Virginia constituents able to itemize deductions, Senator Robert Byrd added a sales-

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the same as ordinary rates. Even if the profit on IBM stock were cut by higher capital gains taxes, few potential investors would be likely to sulk and put their money in a sock, especially if other tax shelters were also dismantled. And, assuming the worst—that brokers all over the country go out of business and no one plays the market—the effect on industry would be less than crippling. As Philip Stern points out in his new book, *The Rape of the Taxpayer* (an excerpt of which follows this article), only five per cent of industrial capital comes from the stock market; the rest comes from industry's retained earnings. Those who would bleed on the altar of capital gains taxation are not the financiers of a stronger industrial America, but the speculators who buy and sell stock issued years ago. Per-

s Tree

tax deduction provision shaving $1.5 million off their taxes.

■Senators Robert Griffin and Philip Hart sponsored an amendment bailing out the Archdiocese of Detroit for about $50,000 in interest on withheld taxes.

■Senator Vance Hartke, acting as floor manager, then offered a series of tax amendments, the first of which was designed to benefit conglomerates that buy out minority shareholders.

■A second Hartke amendment involved $1 million in penalties currently owed to Treasury by a firm which failed to comply with the advance-notice requirements of Section 367 of the Internal Revenue Code.

■Hartke then offered an amendment dealing with the airline-ticket tax, and added the provisions of H. R. 11158 which would permit C. Brewer and Sons of Hawaii to deduct Puerto Rican sugar plantation losses. He also added language allowing Americans who control incorporated foreign-investment portfolios to escape taxation at the corporate level. Hartke disclaimed knowledge of who the beneficiaries were.

■Further amendments included a three-month extension of unemployment benefits, permission to add more carbonation to American wines, and establishment of a Federal Financing Bank.

■Though it was now 9 p.m. and a Saturday night, the amendments kept coming. Senator J. Glenn Beall, Jr. moved to exempt small shareholders from a "collapsible corporation" tax restriction. Senator Jacob Javits expanded a housing tax subsidy, and Paul Fannin added a tax on bows and arrows.

Finally, at 12:02 a.m. on Sunday, October 15, the Senate adjourned.

On Monday, October 16, Senator Frank Church picked up where his colleagues had left off by proposing (successfully) that authors and artists be permitted to deduct half the value of their private papers when given to charitable institutions. Senators Clifford Case and Ted Stevens added their own little clauses. Senators Paul Fannin and Clifford Hansen offered two further amendments, but Proxmire blocked them. Finally, on Monday afternoon, Senate consideration of the "Insurance Agents Tax Withholding Bill" ended and the legislation was sent to the House.

The next day, October 17, House Ways and Means Committee Chairman Wilbur Mills moved for a conference with the Senate on H. R. 7577 which would, in effect, mean passage of the bill. House tax reformers, organized by Tom Stanton of Ralph Nader's Tax Reform Research Group, were on their feet to object. To their surprise, however, they heard the chair recognize southern Californian John Rousselot, who blocked Mills' motion because of a minor procedural irregularity. After a few minutes, Mills decided to abandon the bill. That ended the "Christmas Tree Bill" effort for 1972.

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haps worst of all, the present capital gains system gives an incentive to early death: for those who can cling to their stock all the way to the grave, all the capital gains that took place during their recently-ended lifetime are declared tax-free. Whoever inherits the material only pays tax on gains from then on.

Guaranteed Income

The moral of the capital gains story turns up again in the corporate taxes, only with bigger numbers. During the sixties, tax breaks like the Investment Tax Credit (ITC) helped drop the share of corporate taxes from 35 per cent of total federal taxes in 1960, to 27 per cent in 1969. Since then, corporate taxes have fallen by another 10 per cent, mainly because of the bag of treats Nixon passed out as part of his 1971 economic policies.

The longest-running of the major preferences, the ITC, shows that the welfare ethic can destroy initiative and fiber among the rich as well as the poor. Since 1962, the ITC has proven its benefit to companies, giving General Motors an average of $40 million each year and the rest of American industry another $2.1 billion. Its success in encouraging them to create new jobs and boost the economy is harder to detect. As originally written by the Kennedy Administration, the ITC would give benefits depending on performance: the companies that tried hardest to invest *more* than before, to hire more men, would get the biggest breaks. But an obliging Congress changed that clause, so that any investment qualifies for the ITC—even if the company invests less than the year before, or uses its investment to automate a few more men out of work.

The ITC also has a knack of delivering its benefits where they're not needed and tugging them away from those who need them most. Few companies needed new investment as much as the Penn Central did, with its yards full of cruddy old machinery and its miles of rusty track. But because the Penn Central was losing money and paying no taxes, the ITC gave it no help at all.

The corporate tax measures Nixon announced in 1971—aimed at a booming economy, a foreign trade surplus, and a fully employed electorate—show the same combination of high cost and uncertain results. One of the proposals would have cost $6 billion in lost taxes, in exchange for the possible creation of 500,000 to one million new jobs. This works out to $6-12,000 per job, with no guarantee that the companies will use the money to hire more men.

Another innovation, the Domestic International Sales Corporations (DISC), was supposed to encourage exports. But, like the unfortunate ITC, the DISC gives benefits without demanding performance—companies get tax breaks even if their exports are falling.* The star of Nixon's group, the Asset Depreciation Range system, which will cost an estimated $30 billion in the next decade, was aimed at expanding industrial capacity at a time when 25 per cent of the factories were idle.

Friendly Persuasion

The choice of these uses for public money—rather than public-works projects, or education investment—may be explained by the groups buzzing around Nixon's ear at the time. As reported by Stern, the Presidential Task Force on Business Taxation, which was appointed in 1969 and eventually thought up the ADR, was made up of:

- four lawyers from corporate law firms (including former partners of both Nixon and Connally);
- two New York investment bankers;
- three representatives of corporate accounting firms;

*The enterprising Continental Grain Company has even tried to get DISC tax breaks for its government-subsidized grain sales to Russia. So far it has failed, thanks mainly to publicity generated by a group called Tax Analysts and Advocates.

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■two top officials of large industrial corporations;

■three business-oriented economists.

As with other tax preferences, most of the corporate honey gets scooped out by those with the biggest paws. Eighty per cent of the ADR's billions will go to the top .002 per cent of the nation's corporations. Even before the 1971 tax breaks, the 100 biggest corporations paid only 27 per cent of their profits in taxes (compared with a nominal rate of 48 per cent), while smaller corporations paid 44 per cent. Several enormous companies have been able to pay respectable dividends to their shareholders without paying anything to the government.

Alcoa Aluminum, Allied Chemical, Standard Oil of Ohio, and a quartet of steelmakers—Bethlehem, National, Republic, and United States Steel—all paid dividends of between $33 and $78 million in 1970 or 1971, without paying any federal income taxes.

Perversion In the IRS

One reason for the grotesquely high cost of the tax-incentive program is the perverse logic of tax preferences. Reversing normal bidding procedure, the government buys services from whoever offers them and lets him set his own price. The tax deductions naturally cost the government more when a rich person rather than a poor person uses them: a $100 tax write-off, whether for oil-well drilling or buying state bonds, costs $70 in lost taxes if the taxpayer is rich, but only $14 or $20 for people in the lower tax brackets. There is an economist's logic buried here, in the idea that rich people need a greater incentive to perform a task, but it makes sense for the government only if the rich person's oil well is five times as good as the poor person's.

The catch, of course, is that poor people don't have oil wells. Neither do they have capital gains or much property tax to write off. So, because most of the tax preferences are open only to the rich, and because each preference is worth more when you're in the 70-percent tax bracket, a healthy portion of the tax-expenditure budget goes to supporting our upper class.

A Modern P. T. Barnum

It may not always appear that way, especially if you look at the Administration's figures. Treasury Undersecretary Edward Cohen went to Congress last year to show who was getting the tax-expenditure money. There were the charts, broken down by income group. Sure enough, Mr. and Mrs. Middle America came out in front. Property tax exemptions, for example, spared families in the $10-15,000 income bracket $642 million in taxes, while giving only $240 million to those in the $50-100,000 bracket and $137 million to the $100,000-plus bracket. Even preferences aimed at the rich, like capital gains, seemed to avoid any gross imbalance.

The trick is that there are more people making $10,000 than $100,000, so the money goes further at the upper levels. Tom Stanton, a lawyer with Ralph Nader's Tax Reform Research Group, pointed out this ruse to the Senate Finance Committee last October. When the preferences are broken down on a money-per-taxpayer basis, they look a little different, more like feudal dues than anything else. The benefit from capital gains taxes, for example, are roughly these:

■if your adjusted gross income is less than $3,000, you save an average of $1.66 in taxes each year.

■if your income is between $5,000 and $7,000 (more than half the taxpayers make this much or less), you save an average of $7.44.

■if your income is between $10,000 and $15,000, you save an average of $16.31.

■if your income is between $50,000 and $100,000, you save an average of $2,616.10.

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■if you make more than $100,000, you save an average of $38,126.29.

The oil depletion allowance gives an average of 85 cents to the median taxpayer; an average of $847.24 to those in the $100,000-plus bracket. Deductions for charitable contributions are worth an average of 28 cents at the lowest brackets and $11,373.56 at the highest. In all, the system gives an average of $54.06 worth of tax relief to each taxpayer in the lowest bracket, $245.79 to those at the median level, and $76,042.86 to those making more than $100,000.

These preferences, loopholes, and rebates make the official tax rates less than reliable guides to who actually bears the tax burden. According to a report by Joseph Pechman and Benjamin Okner of the Brookings Institution, taxes actually take only 32 per cent of income at the upper levels, rather than the 70 per cent of narrowly-restricted income the charts show. If the tax base were widened—to include capital gains, bond income, and all other categories of tax-free income—it would be 35 per cent larger than it is now. This would mean either that current tax rates would produce $77 billion more in revenue—several times more than will be needed to cover the expected budget deficit next year—or that the entire rate schedule would be reduced. Pechman and Okner offer several alternate schedules, most of which would cut taxes in the lower brackets while imposing rates no higher than 50 per cent at the top. The secret is getting a wide tax base, so that the government takes 50 per cent of something, rather than 70 per cent of very little.

Faites Vos Jeux

But until the tax base is widened, we are left with a system more like a roulette game than a dependable tithe of income. Its effect on taxpayers is like that of a court which imposes harsh sentences but only convicts half the defendants. The taxpayer's only rational behavior is to try to beat the rap, to hide portions of his income in the preference safety zones rather than paying at the official rates. Anyone who pays all his taxes is a fool or a sucker. By turning taxes into a penalty and rewarding those who find the escape clauses, the tax system encourages a pernicious social irresponsibility. More worry goes into devising each family's own tax shelters than in working to make the whole system more fair. If much of the backlash against government spending and high taxes comes from those who see the tax withheld from their paycheck each month, it may be because they are the only people who know for sure they will have to pay their full share of the government's expenses.

Al Capp As Philosopher

As its contribution to cleaning up the tax system, the Administration is relying on a classic one-two approach: cover up the little problems and pretend the big ones aren't there. The cover-up operation centers on encouraging the public to look at the bright side of the tax system, emphasizing the positive and keeping the reformers' complaints in perspective. Since an overt rise in tax rates—as opposed to camouflaged rises, in the form of Value Added Tax or otherwise—might undermine the public's faith, Nixon has tried hard to sell the unbelievable idea that taxes will not go up. So far, his psychology has worked well. As *The New York Times* reported in late November, Nixon has decided that the heat is off on tax reform because "the public is simply not as stirred up now about the alleged unfairness of the tax laws as it was earlier this year."

To handle the public resentment that won't go away, Nixon has applied several of his other proven political tactics. One useful method is to deflect attention from a serious question to a minor side issue—as the whole public discussion of civil rights has been focused on busing. The side-

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show this time is property tax relief—a serious enough business, but not enough to steal all the attention from income tax reform.

Another ploy has been to breed fear of change among those who should welcome change. This was the message in Edward Cohen's tax-preference charts. "Look at those figures," Mr. Average was supposed to say to his wife. "We can't afford to have that mortgage-deduction taken away." Thus everyone starts to consider the reformers a menace, and each group of taxpayers clings to its own loopholes and blocks those who try to blow the whistle.

This philosophy was expressed with rare precision by cartoonist Al Capp, writing in a recent issue of *Saturday Review—Society* as a "distinguished economic and social thinker." "What this country wants," Capp said, "is more tax loopholes, not less. Americans today don't want so much to soak the rich as to be rich." With every man looking out for his own special piece of the action, no one has a stake in cleaning out all the special deals. "Tax reform" becomes a code word for "cutting *my* taxes," and the "tax reform" bills are little more than a clumsy package of favors, designed to make everyone think he's coming out ahead.

But in this as in few other things, the President doesn't have the last or the most influential word. The important maneuvers will go on in Congress, most of them in the chambers of Wilbur Mills' House Ways and Means Committee.

Punching Holes

Last year's congressional skirmishes provide mixed omens for tax reform in 1972. This year was not the right time for a tax reform bill to get through, and so it may not mean anything that so many reform bills died at the end of the session. The fights that went on were on the other side of the field—trying to prevent new loopholes from being punched through the tax code. Hole-punching long ago became a ritual in Congress, institutionalized in something known as "Members' Day." At this roughly annual event, members of the Ways and Means Committee sit around a table and take turns suggesting special-interest tax bills. Usually these bills sail through the House without trouble, but last year, for the first time in memory, they were stopped. The battle was prolonged, beginning with the Members' Day session in October, 1971, and winding up a year later when, almost by a quirk, conservative Congressman John Rousselot objected to one of Mills' attempts to get the bills through the House.

If Rousselot had not been seized at that moment by whatever purely parliamentary objection he had to Mills' bill, those who had been trying to block the bill—Wright Patman and Les Aspin in the House, William Proxmire in the Senate, Tom Stanton of the Tax Reform Research Group, lobbyist Ray Denison of the AFL-CIO and Richard Worden of the United Auto Workers—would certainly have managed to kill it themselves. Time was on their side, and Mills' heart was not with the bill. Getting a genuine reform bill through Congress will be harder.

Just how much harder depends greatly on Mills. As chairman of the Ways and Means Committee, he will decide when to hold hearings, what measures to bring up when, and how firm a push he'll give the bill in the House. If there were some reliable guide to Mills' beliefs or ideas, it might be possible to predict what kind of bill will get passed. But reading Mills' mind is like reading a weathervane: his homing instinct is toward whatever everyone else is likely to vote for.

The Amazing Rubber Man

Mills gave an impressive display of flexibility early last year when he suddenly decided that tax reform was a hot issue. Two veteran tax reformers

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—Congressmen Henry Reuss and Charles Vanik—felt frustrated by Mills' refusal to push a reform bill through his committee, and so they proposed their own reform measure as an amendment to the debt-ceiling bill. Not about to be outsmarted—especially when still running his quaint race for the presidency—Mills managed to block Reuss and Vanik by introducing a "reform" bill of his own. Called the "Tax Policy Review" bill (or later, the Mills-Mansfield bill, since Mike Mansfield co-sponsored it in the Senate), it would have phased out 54 of the major tax preferences over a three-year period, 18 at a time.

Phasing out the preferences wouldn't kill them for good, but at least it would make Congress review each preference before re-enacting it. That much in Mills' bill was encouraging, but its main value to him was as a stalling device. Such extensive changes, Wilbur pleaded, would take months and months of hearings, even though he had held hearings on essentially the same questions before, and was presumably familiar with the topic. The maneuver served its purpose well: Mills seemed to be on the side of tax reform, but he didn't have to support any specific reform, and he was able to squash the Reuss-Vanik bill.

Lost Crusade

Reuss will be back this year, with a "quick-yield" bill designed to close a few loopholes and get a fast $9 billion in extra revenue. More thorough reform bills are also ready, including one from California's James Corman that would wipe out most of the major tax preferences and replace tax exemptions with "tax credits." But because of the oddities of committee procedures, none of these bills will be debated on the floor as such. Instead, the Ways and Means Committee will start from scratch, looking over each item on the tax-preference list and deciding what sort of reform package to offer.

The resistance that Mills puts up this year may be more serious than last year's procedural bluff. For him, the weathervane is swinging. Like Nixon, Mills has sensed a slackening in the taxpayer revolt. The public is losing interest and so is Wilbur Mills. In May, Mills sponsored a tax reform bill; in October, he said tax reform would be his committee's first order of business in 1973; but in November, he told *The New York Times* that tax laws weren't really so bad: "If the income tax law is not unfair, and I know it is not, to the extent that some people have indicated it is, I want the American people to know that."

The one certain benefit of the next few months is the series of studies now being finished by the Joint Committee on Internal Revenue Taxation. Working from the 54-item list in the Mills-Mansfield bill, the committee plans to make thorough legal and economic analyses of the preferences—what they're supposed to do, how well they do it, and how much they cost.

Expecting more than this may not be wise. The Opposition will soon be in town: Wall Street lobbyists moaning about capital gains taxes, oil men warning of energy crises. By comparison to these business lobbies, the few existing reform groups are inexperienced, underfinanced, and overwhelmed. Aside from the unions—who in 1969 were virtually the only reform lobby—there are now several public-interest groups, like Common Cause, Field's Taxation With Representation, and Stanton's Tax Reform Research Group. Still, the unions are the only one of these representing a sizeable bloc of voters, and while the union platforms recommend admirably thorough reform, its members are the very people Nixon is trying to seduce with property-tax relief. Unless there are signs that this year's tax "revolt" can resist the small rewards that sated previous revolutionaries, tax reform is likely to go the way of welfare reform and other lost causes. ■

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MEMO of the Month

DEPARTMENT OF THE ARMY
HEADQUARTERS, WALTER REED ARMY INSTITUTE OF RESEARCH
WALTER REED ARMY MEDICAL CENTER
Washington, D. C. 20012

REGULATION
NUMBER 210-5

24 February 1972

INSTALLATIONS

Bulletin Boards

1. Purpose. This regulation establishes guidance for the maintenance of bulletin boards.

2. General. Bulletin boards maintained throughout the Institute are for the purpose of making directive and informative material readily available to duty personnel and students and should only contain items necessary to meet this requirement. The content of the bulletin boards will be neatly arranged and will not include obsolete or extraneous matter.

3. Definition.

a. Permanent material is defined as that information which will remain in effect in excess of 30 days from date of publication, or in the case of undated material, in excess of 30 days from date of posting to the board.

b. Temporary material is defined as that information which will remain in effect 30 days or less from date of publication, or in the case of undated, 30 days or less from date of posting to the board.

4. Posting of material.

a. Cards with the heading PERMANENT AND TEMPORARY will be used to divide the bulletin board into sections as an aid in the classification of material. Permanent material will be arranged on the left and temporary material on the right.

b. Papers will be aligned and secured to the board with thumbtacks, one in each corner, and will not extend beyond the framework of the board.

c. Temporary material will be moved to the permanent portion of the board upon reclassification as permanent.

d. Permanent material will be removed from Boards when it no longer serves its intended purpose.

e. Temporary material will be removed from Boards when no longer appropriate or NLT 30 days from date of publication or posting as applicable.

FOR THE DIRECTOR:

/S/
ROBERT S. PEISER, JR.
Captain, MSC
Adjutant

*This regulation supersedes WRAIR Reg 210-5 dated 26 June 1967

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The Secret Way the Rich Escape

by Philip M. Stern

Imagine and appraise for yourself the fairness of a courtroom trial that proceeds as follows:

The judge enters. Before him there is only one lawyer's table instead of the usual two. No press or members of the public are permitted.

A lawyer for just one of the opposing factions, whom we will call Lawyer A, rises and argues his case. Having heard but one side of the case, the judge declares the trial ended and retires to deliberate the matter. There is no Lawyer B to develop and argue the other side. That task falls to the judge, who is thus thrust into the awkward role of being both advocate and judge.

As the judge ponders the questions before him, Lawyer A makes repeated private visits to his chambers, pressing him with further arguments, rebutting any doubts he seems to have.

When he ultimately reaches and issues his decision, it, like the trial itself, is not open to the public, but is kept confidential, known only to the judge, Lawyer A, and the client.

If the decision is unfavorable to Lawyer A, he can appeal it to a higher court. But if it is favorable to A, no one else, no matter how aggrieved, may appeal. And so it stands, as final as a Supreme Court decision (until and unless the Congress of the United States sees fit to change it).

The above is perhaps an over-simplified, yet surprisingly precise

This article is adapted from Philip Stern's The Rape of the Taxpayer, *to be published in March by Random House.* *© 1973 Philip M. Stern.*

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parallel to the manner in which the Internal Revenue Service hears and decides the tens of thousands of tax law questions put to it each year. These questions come mostly from business concerns, often seeking an in-advance-of-the-fact ruling about how IRS would apply the tax law to an upcoming transaction. Many of the requests for rulings are routine. But, as you will see, others involve tens, if not hundreds, of millions of dollars.

In theory—that is, technically speaking—rulings are available to any taxpayer who knows about them and submits a request. However, most average taxpayers are not even aware they can ask for an in-advance-of-the-fact ruling. (How many readers of these words know about them?) By contrast, rulings are well known to—and hence are mainly used by—businesses, especially major companies advised by experienced and handsomely-paid tax attorneys. This contrast could well give rise to the following two situations: For John and Esther Hale, the letter from Internal Revenue seemed not far removed from disaster. It dealt with their tax return of two years earlier and, in particular, with the sale of their house (for considerably more than they had originally paid). John was aware of the disadvantages of having his profit on the deal taxed all in one lump in the year of the sale (which would push him into a much higher tax bracket) and thought he had carefully worked things out so that the transaction would be treated as an "installment sale"—that is, so that he could,

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in calculating the tax, spread the profit out over a five-year period. But apparently he had run afoul of some technicality in the law, and Internal Revenue was taxing the whole profit in the year of the sale. The upshot was that the Hales had to pay a "deficiency" of a little more than $4,000, and if they didn't pay it before the end of the year, the government would start charging six-percent interest.

Haste Makes Waste

Surprised and puzzled, John telephoned Internal Revenue. The IRS agent, while firm that John would have to pay the deficiency, was sympathetic, since, he said, a minor change in the transaction could have saved the Hales the extra tax. "It's a shame," he said, "that you didn't come to us with your contract beforehand. We could have told you that it wouldn't qualify for the installment sale, and could probably have told you how to change it to make it fit the regulations."

That was all very nice, but it didn't suggest to John Hale how he was going to come up with $4,000 before the end of the year.

In 1966, the Continental Oil Company had a tax problem of considerably greater magnitude than that of John and Esther Hale. It was, to be precise, a $175-million tax problem. But because Continental was counseled by influential and experienced tax lawyers, the company knew it could go to IRS to seek advance approval of its plan.

Boiled down to its simplest terms, Continental Oil wanted to borrow $460 million to buy up one of its major energy-source competitors, Consolidation Coal, the largest coal company in the United States. For some years, oil companies wishing to borrow in order to buy additional oil properties had been using an ingenious three-party device known as an "ABC" transaction, which involves, basically, using one company as a front for buying another. That intricate triangular transaction had an enormous advantage: it enabled the companies to pay back the borrowed money with *untaxed* dollars, rather than having to use after-tax dollars, as most taxpayers do when they repay loans. If Continental Oil could employ such an arrangement to buy Consolidation Coal, it would save about $175 million in taxes. But while the ABC device had been successfully used in buying *oil* properties, it was unclear that IRS would approve such an arrangement for the purchase of "hard" minerals like coal. Without IRS approval, Continental would have to make just about twice as many dollars of profits to repay the mammoth $460-million loan; thus, before any banks would put up the money, they insisted on knowing whether IRS would give its blessing to the ABC deal.

Majesty of the Law

Accordingly, the highly prestigious New York law firm of Simpson, Thacher & Bartlett was engaged to present the facts of the ABC transaction to IRS with a request for a binding in-advance-of-the-fact ruling. In due course, on August 18, 1966, a piece of paper assuring Continental its $175-million tax saving went forward from IRS—a "letter ruling" approving the ABC transaction.

Thus was the way paved for the buy-up of the nation's largest coal company by what was then the nation's 10th largest oil company.

Thus was the precedent set, and the path made easier for other oil companies to buy up other coal companies—as in fact subsequently happened.

Thus was the $175-million tax saving assured the Continental Oil Company.

Thus was the shifting of a $175-million burden to the other United States taxpayers assured.

That letter ruling was but one of the roughly 30,000 issued every year.

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While most do not involve such prodigious sums (about 14,000 of them merely grant approval to changes in accounting methods), they often involve substantial amounts—occasionally far more than was at stake in Continental's case. For example:

- On July 24, 1964, General Electric, Westinghouse, and the other major electronic companies—whose 1960 conviction for price-fixing in criminal violation of the anti-trust laws subjected them to treble-damage claims by customers who had been overcharged—were granted IRS approval to treat their treble-damage payments as tax-deductible "ordinary and necessary" business expenses. That is, not only would the general public have to bear the burden of any overcharges on the monopolistically-priced electrical equipment, but under the ruling, the public was also required to bear about half the cost of the companies' damage payments to aggrieved parties. As of 1971, it was estimated that this one ruling had cost the American taxpayers $400 million, the electronic companies alone saving about $250 million.
- On January 10, 1972, an IRS ruling permitted the Anaconda and Kennecott Copper Companies, plus a few others, a tax break on the losses they sustained when the Chilean government expropriated their assets, saving the companies between $75 and $175 million. Some tax experts acknowledge that the law on the question was close, but feel that IRS did some stretching of past law and precedents in arriving at the ruling.
- On December 29, 1966—just two days before a New Year's Eve deadline, an IRS ruling letter saved the United States Steel Corporation the discomfort of having some $60 million of "excess foreign tax credits" expire, unused. As if the $60-million tax saving weren't enough, U. S. Steel also asked for—and Internal Revenue generously granted—permission to similarly whipsaw the U. S. Treasury for further losses in future years.

But the importance of IRS rulings often goes beyond the dollar tax savings assured the various companies, for while the rulings supposedly revolve around highly technical interpretations of the tax law, they can also decide very large policy questions.

Coddling Criminals

For example, in ruling that treble-damage payments by anti-trust violators were "ordinary and necessary" business expenses, and therefore tax deductible, IRS in effect made it just half as expensive to be caught violating the anti-monopoly laws. To put it another way, the IRS ruling effectively amended the anti-trust laws and cut the damage payments in half. After computing tax savings, the companies paid not 300 percent damages, but only 150 per cent. From the companies' point of view, the effect of the IRS decision was no different than if Congress had changed the basic anti-monopoly laws. But the IRS ruling came in 1964 without congressional assent.

IRS' facilitating Continental Oil's ABC buy-up of Consolidation Coal also involved important anti-trust policy considerations. As mentioned, Consolidation Coal was one of Continental's major competitors in the field of selling energy, and so the merger of the two reduced competition.

The ruling in the Continental case also paved the way for other businesses to take over coal companies, using the lucrative ABC device: Kennecott Copper later ABC'd the Peabody Coal Company, the nation's second largest; and Occidental Petroleum bought up Island Creek Coal Company via an ABC transaction. By 1972, five of the top 10 had been gobbled up by oil companies, leaving only two major independent coal companies in the U. S.

After seeing how great an impact the ABC and treble-damage rulings had, Congress concluded that Internal Revenue had been wrong and passed laws reversing the rulings. In 1969,

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Congress unmasked the legal intricacies of the ABC transactions and passed a law taxing ABC's for what they are: pure mortgage loans which must be repaid with *after*-tax dollars. In that same year, Congress decreed that where criminal anti-trust violations are involved, two thirds of the damage payments are no longer deductible. Unhappily, in both cases, Congress did not act until the major horses had already fled the barn. (The bulk of the electric company treble damages had already been deducted and the important "hard mineral" ABC takeovers had already been consummated.

Private Justice

The various ruling letters mentioned above were just fine for the companies that requested and received them, for they assured tens and even hundreds of millions of dollars of tax savings for General Electric, Westinghouse, U. S. Steel, Anaconda Copper, and others.

But were they equally fine for the general public, for the rest of the U. S. taxpayers who must suffer the consequences of what amounts to changes in the anti-monopoly laws?

Alas—and this is the crucial defect in the process—there is no opportunity for advocates for those "rest of the U. S. taxpayers," to argue their side of the case, either before or after the rulings are issued. There is no provision for public hearings on these rulings—even when matters of such high policy are involved. On the contrary, and even more serious, is the one-sidedness of the process *after* the issuance of the ruling letter. If IRS' decision is unfavorable to the requesting company, it can proceed with its intended course of action, refuse to pay the tax, and contest the IRS position in a court of law. If the ruling goes the other way—that is, if it favors the requesting company, shifts a major tax burden onto the rest of the taxpayers—they have no corresponding right to challenge the ruling in court, no matter how unjustified IRS action might be found there. In that sense, Internal Revenue is, in effect, the Supreme Court. If IRS throws in the legal towel, the matter is settled until and unless Congress enacts a corrective law which is unlikely to happen with any promptness.

In normal legal procedures, lawyers who want to know what previous court decisions have held on any given question have comparatively little difficulty finding out; not only are court opinions made public, they are meticulously indexed. Thus, attorneys for both sides have equal access to past court interpretations and they are equally able to use old decisions to support their arguments.

But taxpayers and their attorneys cannot so easily discover the precedents for IRS rulings since the vast majority are known only to three parties: the IRS, the requesting company, and its attorney.

Publish or Perish

Confidentiality is not supposed to be a problem, for in 1952, at the urging of a congressional investigating committee, IRS issued instructions that all rulings "of general interest" were to be made public, a commitment reaffirmed in 1960. Yet, out of roughly 30,000 rulings issued each year during the sixties, an average of only 480—about 1.5 per cent—were formally published by IRS. In 1972, three practicing attorneys in Chicago were able to list some 30 major rulings that had been of sufficient "general interest" to have rated mention in legal periodicals, yet had never been formally published by Internal Revenue. "This list amply demonstrates [IRS'] lack of adherence to the formal commitment to Congress to publish [precedent-setting] rulings," said the attorneys.

The enactment of the Freedom of Information Act in 1966 was supposed to have a salutary effect, for on its face that law requires agencies such as the IRS to make public all actions

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of "precedential" value. But IRS found an ingenious means of circumventing that requirement: it merely obliterated the word "Precedent" from all rulings thus categorized in its files and reclassified them as "Reference"—a term not mentioned in the Freedom of Information Act. In 1972, a legal action was filed to compel IRS to make public not only the unpublished rulings but IRS' confidential card index of rulings and related correspondence covering the notorious oil-depletion allowances. At this writing, that action is pending in the courts.

IRS' exclusive possession of that card index gives government attorneys a one-sided weapon that they can use effectively against private taxpayers whose lawyers are in the dark about unpublished rulings. For example, in a court suit entailing more than $3.4 million of taxes supposedly owed by Allstate Insurance Company, the opinion noted, that "the government placed in evidence a number of private-letter rulings of the Internal Revenue Service over a 12-year period" to bolster its position. But, apparently only the government's attorneys were privy to those private rulings; Allstate's lawyers "disputed the existence" of the unpublished rulings.

The exclusive distribution of the unpublished rulings can sometimes work against the government. On one occasion, when the Treasury Department issued a tentative regulation that offended the china clay industry, a private attorney who had long represented the industry fished out of his files a contrary, unpublished ruling IRS had given one clay company 15 years earlier—a letter of which not even Treasury was aware. The earlier version, favorable to the china clay companies, prevailed.

The above portrayal of the revenue ruling process is, admittedly, a partial one that highlights what seems to me its defects and may suggest that the process is wholly without merit or utility.

Of course, that is not the case. With a law as complex as the Internal Revenue Code there is ample room for doubt about its meaning, and there are bound to be cases where companies would be paralyzed without advance knowledge of how IRS will treat a given transaction. In a system that relies on citizen honesty (since it is the taxpayer, not the government, who makes the initial calculation of taxes owed), it is important that the system meet taxpayer needs where it legitimately can. Moreover, to the extent these in-advance rulings avoid time-consuming and expensive court contests, they can benefit the government as well as the taxpayer. (The government also contends that the rulings offer helpful information on troublesome questions of interpretation and enforcement.)

Yet, while useful, the procedures for issuing rulings do suffer major defects: the process takes place in excessive privacy, thus inviting unseen and potentially improper pressures. It provides for only one-sided advocacy (by the requester of the ruling), and, because there is no public notice that the deliberation is even taking place, it offers no opportunity for comment by disinterested parties. And it thrusts the IRS into the dual role of both advocate and judge.

Cleaning It Up

But perhaps the most serious aspect is the one-sidedness of the process *after* the ruling is issued (with an adverse ruling being appealable to the courts by its requester while a favorable ruling cannot be appealed). If IRS declines the requested ruling, it risks a court challenge; if it grants the request, all will be tranquil. Under these conditions, the only party checking up on the IRS is the company requesting the ruling, since it alone is in a position to lodge an effective protest.

What should be done to improve the rulings procedures?

Students of the problem have

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widely varying views, but many believe that the following changes would make the process far more open and balanced:

- First, require that all IRS rulings be made public.
- Second, provide opportunity for public comment before major rulings formally take effect.
- Third, broaden the right of citizens to challenge particular rulings in court.

As to making all rulings public, it has been objected that such a step would result in disclosure of legitimate business secrets and would render the rulings process useless in the very cases where an in-advance ruling is most needed, namely, those involving delicate and confidential business negotiations (e. g., mergers) where publication of the facts would (or might) blow up the entire negotiation.

The answers offered to those objections are many. First, as Columbia law professor George Cooper has observed, where large public policy questions and/or large dollar amounts are involved, these ruling decisions are "not a 'private' matter in any but the most technical sense." Second, those who request rulings are asking for what, in a court of law, would be a declaratory judgment, which legally would require public disclosure of all the facts involved. Third, in the case of mergers or acquisitions involving publicly-held companies, the details of the transactions are ultimately given to the shareholders (and hence made public) anyway. Moreover, all rulings dealing with charitable foundations are made public without apparent public harm. Why not apply the same rule across the board? Doing so would make IRS more careful in issuing rulings that will have to stand the light of day; promote more even treatment among various taxpayers; and put all taxpayers on an equal footing, both with each other and with government attorneys, in having full knowledge of the precedents on which they can rely.

As to the second proposal, many protest that requiring (or even expanding the opportunity for) public hearings would overtax IRS and Treasury personnel and would so bog down the ruling process as to render it useless. That need not be the case if all rulings were to be made public on a tentative basis, to take formal effect in, say, 30 or 60 days unless a hearing were requested by a given number of individual taxpayers, the number to be set high enough to discourage frivolous or harassing requests while still providing for public comment.

If the Suit Fits

Finally, as to broadening the right of citizens to bring court challenges against particular IRS rulings, it will doubtless be objected that this would open the floodgates to frivolous, harassing suits. That is a specter traditionally raised by those who dislike public spats, and it usually is not as terrifying in actual practice as had been anticipated. For example, the Freedom of Information Act conferred broad rights upon citizens to bring legal actions in order to extract information from the government. Yet, in the first six years that law was in effect, not more than 100 court suits were brought. Moreover, the expenses involved in bringing and sustaining a court action usually dampen the ardor of those whose motives are purely frivolous.

Harassing legal actions are not inconceivable; yet common sense and experience say they are remote, rather than imminent, possibilities. And does that danger outweigh the disadvantages of the present one-sided nature of the post-ruling legal challenge?

The ruling process has its usefulness. Open it up and let in some fresh air (and even a little public argument and debate), and it can become a more balanced process, fairer not just to the one taxpayer requesting the ruling, but to all of those nameless (and, heretofore, voiceless) rest of the taxpayers as well. ■

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Winning Back the Ethnics: Public Help for Private Schools

by Charles Peters

One of the main concerns of many liberals these days is how to win back their old political allies, the white ethnics. Yet, many of these same liberals oppose government aid to Catholic schools, which is among the more vitally felt needs of a very large number of the white ethnics. Such aid is usually opposed on the ground that it is unconstitutional, that it violates the First Amendment's prohibition against an establishment of religion. Thus any deviation from this view would mean compromising on an issue of principle, something any good liberal abhors.

Charles Peters is editor of The Washington Monthly.

Allard Lowenstein was haunted by the private-school issue during his congressional campaign last year in Brooklyn. He opposed aid to Catholic schools (a stand which was well-publicized by his opponent) and lost —largely through a failure to capture the white ethnic vote. One might see in this stand, then, an admirable loyalty to principle in unfavorable political weather, a noble decision to risk his personal success rather than compromise the First Amendment. He, no doubt, did see it this way. But the choice for Lowenstein, as for all the other good liberals who have taken similar "principled" stands, is not between steadfast adherence to the Constitution and compromise

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with political realities, the familiar split between purists and pragmatists. Indeed, as in so many other cases, the right question for the liberal to ask himself is not whether he should compromise, but whether his principle is wrong.

In his new book, *The Supreme Court and Religion*, Richard E. Morgan,* a teacher of government at Bowdoin College, says, "I believe the conventional liberal positions on the religion clause (as reflected, let us say, by the ACLU) are obsolescent—that they no longer serve the liberal goal of diversity and individualism consistent with a decently ordered government and society."

The G. I. Bill, under which I went to college after World War II and which is not dissimilar to current proposals for educational vouchers, illustrates why Professor Morgan thinks the ACLU view is bad law. Under the G. I. Bill, the government offered to pay my tuition at the college of my choice. In fact, it was Columbia. But it could have been Notre Dame. Had the government's money been paid to Notre Dame, either through me or directly, the effect of the transaction would have been to aid religion. But is this enough to make it unconstitutional? While the Supreme Court has never confronted the question because of its rules barring certain types of suits in federal courts, the ACLU and most state courts that have considered similar issues would answer "yes." If this is unconstitutional, then would it not also be unconstitutional for a government employee to give any part of his salary to his church? Of course, you can argue that the salary is paid for services performed under contract, while the tuition is a gift; there are no strings on how the salary money is to be spent, but the tuition money must go for education.

But, if the fact that the scholarship is a gift would make its use at a Catholic school unconstitutional, a veteran's bonus would be unconstitutional to the extent the veteran contributed it to religion. And if the fact that there is a restriction on how the money is to be used is enough to make it unconstitutional, using public money for a fire department would also be unconstitutional to the extent the fire department used it to protect sectarian property.

**The Supreme Court and Religion*. Richard Morgan. Free Press, $7.95.

Bribing the Devout

If a church catches fire, putting out the fire will aid religion. But if government refuses to put out the fire, it will be denying church property the protection it gives all other property. If religious schools and buildings are denied the fire protection and financial assistance government gives to all other schools and buildings, then the government is hampering the free exercise of religion. Veterans who want to go to Sectarian U. would have to attend Agnostic Tech. because they couldn't get G. I. benefits if they went to Sectarian U.—and the place would have burned down anyway.

While my own son attends public school in Washington and I have always been an advocate of public education, I do not believe the First Amendment forbids government aid to sectarian schools when the money comes as part of an aid program for public and private schools generally. Professor Morgan is troubled by the fact that such a general aid program would help Exeter as well as the little parochial school around the corner. I am not.

The purpose of the First Amendment's religion provisions—the free exercise and establishment clause—is to keep government from doing anything that influences men's opinions in the realm of religion. This purpose can be accomplished only by forbidding government to *single out* religion for help or harm.

In his Bill for Establishing Religious Freedom Thomas Jefferson wrote:

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Our civil rights have no dependence on our religious opinions, any more than our opinions in physics or geometry; that therefore, the proscribing of any citizen as unworthy of the public confidence by laying upon him an incapacity of being called to offices of trust and emolument, unless he profess or renounce this or that religious opinion, is depriving him injuriously of those privileges and advantages to which in common with his fellow citizens he has a natural right; that it tends also to corrupt the principles of that very religion it is meant to encourage, by bribing, with a monopoly of worldly honors and emoluments, those who will externally profess and conform to it.

James Madison, in preparing a similar statement which he tried to incorporate into the Virginia Declaration of Rights, wrote:

That religion or the duty we owe to our creator, and the manner of discharging it, being under the direction of reason and conviction only, not of violence or compulsion, all men are equally entitled to the full and free exercise of it according to the dictates of conscience; and therefore that *no man or class of men ought, on account of religion to be invested with peculiar emoluments or privileges; nor subjected to any penalties or disabilities* unless under color of religion, any man disturb the peace, the happiness, or safety of society. And that it is the mutual duty of all to practice Christian forebearance, love, and charity toward each other.

In other words, government cannot (beyond what is necessary for the preservation of peace and order) act toward religion in any way that might influence men's attitudes towards practicing or not practicing it. From these statements, it seems clear that neither Madison nor Jefferson would approve of the government's bribing its citizens to be religious by giving aid to sectarian schools only. Nor would they approve of government's bribing its citizens not to be religious by giving aid to all but sectarian schools.

Another Busing Case

The leading Supreme Court case on the religious-establishment clause, *Everson v Board of Education* decided

The Washington Monthly

THIRD ANNUAL BOOK AWARD

The Washington Monthly wishes to recognize the best of those books that explore the processes and values of the institutions that govern America, the books that share our purpose of identifying where the system breaks down, why it breaks down, and what can be done to make it work.

Co-winners of the 1972 Award were 365 Days by Ronald Glasser, published by George Braziller, and A History of the Modern Age by Julian Prescott, published by Doubleday.

The 1973 Award will be announced in the Annual Political Book Issue, to be published in March, 1973. Nominations should be for books published in 1972 and must be submitted by January 15, 1973 to: Book Award, The Washington Monthly, 1150 Connecticut Ave. N.W., Washington, D.C. 20036

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in 1947, shows the Court has at least partially grasped this point. The issue in the case was whether New Jersey could finance bus transportation for students in public and Catholic schools. The Court upheld the system. Justice Hugo Black, for the majority, wrote:

> New Jersey cannot consistently with the "establishment of religion" clause of the First Amendment contribute tax-raised funds to the support of an institution which teaches the tenets and faith of any church. On the other hand, other language of the amendment commands that New Jersey cannot hamper its citizens in the free exercise of their own religion. Consequently, it cannot exclude individual Catholics, Lutherans, Mohammedans, Baptists, Jews, Methodists, Non-Believers, Presbyterians, or the members of any other faith, *because of their faith, or lack of it*, from receiving the benefits of public-welfare legislation. . . . We must be careful, in protecting the citizens of New Jersey against state-established churches, to be sure that we do not inadvertently prohibit New Jersey from extending its general state law benefits to all its citizens without regard to their religious belief.

Black also wrote that neither the state nor the federal government "can. . . influence a person to go or to remain away from church" and that "state power is no more to be used so as to handicap religions than it is to favor them."

The Everson decision was, however, not exactly an ideal test case, since New Jersey's bus system would not have given aid to non-Catholic private schools. In other words, Catholic schools had been singled out for special aid that other private schools could not get. Thus Justice Robert Jackson wrote in his dissenting opinion:

> The basic fallacy in the Court's reasoning . . . is in ignoring the essentially religious test by which the beneficiaries of the expenditure are selected. A policeman protects a Catholic of course—but not because he is a Catholic; it is because he is a man and a member of our society. The fireman protects the Church school—but not because it is a Church school; it is because it is property . . . . Neither the fireman nor the policeman has to ask before he renders aid, "Is this man or building identified with the Catholic Church?" But before these school authorities draw a check to reimburse for a student's fare they must ask just that question, and if the school is a Catholic one, they may render aid because it is such, while if it is of any other faith or is run for profit, the help must be withheld.

Justice Black said the Court had not taken up the point that the program denied aid to other private schools because the case had not been argued on those grounds. He then added that such an objection would have to be based on the Fourteenth Amendment and its equal-protection clause. This showed that he had not quite grasped the point, for there was a simpler reason available: the First Amendment itself, by forbidding the government to single out religion for help or harm, raises objections to a program that helped St. Xavier of Newark while ignoring Jersey City Prep.

Colleges Are Different

The minority in the Everson case did not, however, choose this ground for objecting to the system. Rather, the dissent (written by Justice Wiley Rutledge and concurred in by Justices Felix Frankfurter, Robert Jackson, and Harold Burton) arose from a fundamentalist view of the religious-establishment clause. In this interpretation, *no* appropriation that aided religion was acceptable, even if denying the help to a sectarian group would mean discriminating against religion. So, even if the buses had run to all the schools in the state, the minority would have found it unconstitutional if it stopped at a single religious school. The minority was not, however, entirely blind to the discrimination issue. Rutledge wrote that the "problem. . . cannot be cast in terms of legal discrimination or its absence," and that, while withholding aid from sectarian schools "may hamper the. . . child forced by conscience" to attend such schools, "it

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does not make the state unneutral to withhold what the Constitution forbids it to give."

Thus, according to Justice Rutledge and the Everson minority, the religious provisions—which our forefathers put in the First Amendment to keep government from influencing its citizens in matters of religion—demand that government influence a student not to attend a sectarian school. This view, which is essentially the same as that of the ACLU and most state courts, strikes me as absurd.

In 1971 the Burger Court, in *Tilton v Richardson*, seemed to acknowledge some of the position's absurdity, at least as it applies to colleges. The Tilton case upheld federal building grants to four Catholic colleges as part of a program of similar grants to private and public colleges throughout the country.

"The crucial point of Burger," Professor Morgan writes, "was. . . the distinction between institutions of higher learning and parochial elementary and secondary schools. College students were less 'impressionable' than younger persons, and institutions of higher learning (even though they might have ties to religious organizations) were not characteristically so devoted as parochial primary and secondary schools to propagating the faith. Furthermore, the Chief Justice argued, the sort of aid given (i. e., buildings) was not likely to involve governmental agents in close and continuing monitoring of the work of recipient institutions. The degree of entanglement was not sufficient to require disallowal on establishment clause grounds."

My Favorite Mason

But Justice Burger isn't about to let government help those nuns brainwash little children. (His anti-Catholicism is in the tradition of the small-town Mason rather than the liberal intellectual and probably has less need to disguise itself.) So in two 1971 decisions, *Lemon v Kurtzman* and *Robinson v DiCenso*, the Court rejected programs of government aid for parochial elementary and secondary schools.

Where such aid, direct or indirect, is part of a program of aid for public and private schools generally, denying it to Catholic schools seems to be exactly what the First Amendment forbids. Religion is being discriminated against. I get the free textbooks as long as I'm not Catholic.

The heart of the religion provisions of the First Amendment was the Founding Fathers' belief that government should not influence a man to be religious or not—to be a Catholic or not to be a Catholic.

There are sensible reasons for arguing that public money should be used only for public schools. But it's about time we took the sanctimony of constitutional principle out of the argument, because as the big city public school systems collapse of their own bureaucratic weight, the argument becomes increasingly important, and desperately needs to be pursued rationally. There are signs now that the old democratic dream of the public school, at least insofar as the mixing of social and economic classes is concerned, is now realized only outside the large cities. Ironically, in the large cities it is only the parochial schools that offer a reasonable mixture of the classes.

It may seem naive to believe that legal reasoning can persuade people to abandon long-standing prejudices. In the case of the Burger brand of anti-Catholicism, it may be, but I think the liberal branch is so ready for collapse that the right pinprick might do the job. The Pope Johns, the John Kennedys, the Father Hesburghs and Berrigans have already done a lot to deflate liberal anti-Catholicism. The old prejudice was based on a fear of Catholic absolutism, which in these days of raging doctrinal debate within the Church and of increasing regard for cultural diversity among liberals, seems hardly the ogre it once was. ■

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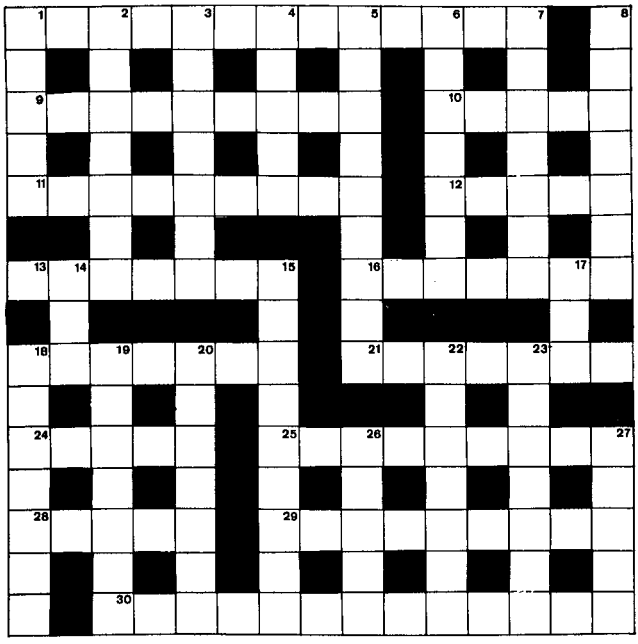
The Political Puzzle

by John Barclay



ACROSS

1. She is no male tiger. (6, 7)
9. Brings Ms. L. N. Bowie to the fore. (6, 3)
10. They have new views on proper role. (5)
11. To clean stand slab on end. (9)
12. Red or white, get it! (5)
13. Rum improvement by a flea. (3, 4)
16. One is at the Baltic this summer. (7)
18. Led nice girl to say no. (7)
21. Ways to solve problems of messy streets. (7)
24. Bear this after Red. (5)
25. Moon plain had Vince's name. (9)
28. First person strove for Eastern college walls. (5)
29. She is unhappy bringing boxes back with 100 in jet. (3-6)
30. From her, let an earring emerge. (8, 5)

DOWN

1. Use dresses for sowing? Not I. (5)
2. Raymond as leader. (7)
3. I belong, but it is not much. (7)
4. Males gather in Alabama. (5)
5. Best merit leaves him unhappy. (9)
6. Stays ahead of news in Virginia. (7)
7. She left mod oven. (5, 2)
8. He sings country air at us. (7)
14. Ice, middle, or golden. (3)
15. See fresh pan in Evian. (6, 3)
17. Belief in this man. (3)
18. She denounced red dice. (7)
19. Women who know what's up want to share this. (7)
20. Knowledgeable person sees Red is up, but not in. (7)
22. Promising attack follows from sad bang. (7)
23. I live it up despite bad luck sign. (4, 3)
26. She may vex in other ways. (5)
27. One would never guess he's all heart. (5)

The numbers indicate the number of letters and words, e.g., (2, 3) means a two-letter word followed by a three-letter word. Groups of letters, e.g., USA, are treated as one word. Answers to last month's puzzle are on page 8.

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POLITICAL BOOK NOTES

Public affairs books to be published in January

After Conviction. Ronald L. Goldfarb and Linda R. Singer. Simon & Schuster, $14.95.

Agony in New Haven: The Trial of Bobby Seale, Ericka Higgins and the Black Panther Party. Donald Freed. Simon & Schuster, $7.95.

Alaska: The Last Frontier. Bryan Cooper. Morrow, $7.95.

Angela Davis: The Making of a Revolutionary. J. A. Parker. Arlington House, $9.95.

AMEX: A History of the American Stock Exchange, 1921-1971. Robert Sobel. McKay, $10.95.

The Battle of Bogside. Clive Limpkin. Penguin, $4.25. War pictures from Northern Ireland.

Benevolent Aggression: The Impact of Advanced Nations on Indigenous Peoples. Richard N. Farmer. McKay, $7.95.

Bureaucracy, the Marshall Plan, and the National Interest. Hadley Arkes. Princeton, $12.50. A plunge into deep governmental thickets, looking for the sources of the Marshall Plan's success. Despite its length and academic tone, definitely worth reading.

Courage in Crisis: The Black Professional Today. Jonathan Bramwell. Bobbs-Merrill, $5.95.

Creating a New World Politics: From Conflict to Cooperation. David V. Edwards. McKay, $6.95.

Deadline for the Media: Today's Challenges to Press, TV and Radio. James Aronson. Bobbs-Merrill, $8.95.

The Death and Life of Malcolm X. Peter Goldman. Harper & Row, $8.95. Useful as the first unbiased biography of Malcolm (the author is a *Newsweek* editor), but misses the spark that makes the subject seem real. Sounds like a soap opera at times: "It was already as though he could hear death saying, 'Malcolm, Malcolm, why have I had to wait so long.' "

The Death of Progress. Bernard James. Viking, $5.95.

The Defense Budget. Caspar W. Weinberger, Gene R. LaRocque, Murray L. Weidenbaum. American Enterprise Institute, $5, $2.50. Features the new HEW secretary explaining why the Pentagon is so expensive. Manpower costs are soaring not just because of the volunteer army, but because there are more generals now than at the height of World War II

Elections in South Vietnam. Howard R. Penniman. American Enterprise Institute, $3.50. After sifting the records since 1966, the author concludes that Thieu's years have been a time of "increasing internal stability" and that the South Vietnamese should be grateful for the bits of democracy they have. If foreign critics would look at the government's bright side, Penniman says, Thieu's opponents in Vietnam would stop demanding "perfection now." One misses the other side of the story that is usually included in AEI books.

Employment Policy at the Crossroads: An Interim Look at Pressures to Be Resisted. William Fellner. American Enterprise Institute, $2. An explanation of why so many people are still out of work. The author's solution is not extra doses of fiscal policy, but special public-works projects to hire those people private industry won't touch.

Equal Employment Opportunity for Minority Group College Graduates: Locating, Recruiting, Employing. Robert Calvert, Jr. Garrett Park Press, Garrett Park, Md., $4.95, $5.95 by mail.

The Foundations of Morality. Henry Hazlitt. Nash, $12.

Getting Out. Edgar Smith. Coward, McCann & Geoghegan, $6.95.

Highways to Nowhere: The Politics of City Transportation. Richard Hébert. Bobbs-Merrill, $7.95. Good, thorough look at the horrors of urban highways, concentrating on

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smaller cities like Indianapolis and Dayton. The final little irony is that federal highway grants cost the cities more than they save, since the tax base drives away to the suburbs as soon as the roads are built. Includes a nice study of Flint, Michigan, as GM's company town.

A History of American Law. Lawrence M. Friedman. Simon & Schuster, $14.95.

Immigrant Workers: Their Impact on American Labor Radicalism. Gerald Rosenblum. Basic, $8.95.

Inside the System. Charles Peters, John Rothchild, eds. Praeger, $8.95, $3.95. A collection from *The Washington Monthly*.

The Kennedy Promise: The Politics of Expectation. Henry Fairlie. Doubleday, $7.95. In spots, this looks like a perceptive addition to the recent mound of Kennedy-era history. But most of the time, Fairlie's Kennedy-phobia runs away with him. The result is a poor imitation of Victor Lasky's *JFK, The Man and the Myth*.

A Land of Our Own. Marie Syrkin, ed. Putnam, $6.95. An autobiography of Golda Meir.

The Last Play: The Struggle to Monopolize the World's Energy Resources. James Ridgeway. Dutton, $10. Someday a good book will be written, linking the long-run causes of energy shortages with an expose of gas and oil companies. This is not the book. In the author's one-dimensional world, blind corporate greed is the cause of all ill. The one potentially exciting chapter, on new energy sources, is quoted in its 22-page entirety from the Congressional *Record*.

The Lesbian Nation: The Feminist Solution. Jill Johnston. Simon & Schuster, $7.95. Making a spectacle of herself is Jill Johnston's bag, as she maniacally demonstrates in print. Rather than illuminating the reader on the subject of lesbianism, this book causes reader blackout, brought on by being mercilessly beaten over the head with the personality of Jill Johnston.

The Manipulated Man. Esther Vilar. Farrar, Straus & Giroux, $5.95. It's been said that feminist descriptions of woman's servitude in marriage read like male fantasies rather than real life. This book, the backlash in full swing, reads more like a Machiavellian's daydream than anything else. Vilar's thesis: women have utterly enslaved men to their selfish, mindless ends. Though it's interesting to see extremism turned suddenly around, any real points concerning male manipulation are lost in Vilar's penchant for the fantastic.

The Moving American. George W. Pierson. Knopf, $7.95.

The Mutual Fund Trap. John L. Springer. Regnery, $7.50.

Not With a Gun. Jean Carper. Grossman, $6.95. Excellent story of the Monarch Construction Company fraud, or, "How to embezzle $4 million from poor blacks and get away with it." The author wisely keeps the pathos of her story from seeping into her prose. A book for those who think they can't be shocked.

The Political Economy of Urban Poverty. Charles Sackrey. Norton, $6.95.

The Politics of A Guaranteed Income: The Nixon Administration and the Family Assistance Plan. Daniel P. Moynihan. Random House, $15. Discussed by Taylor Branch in this issue.

The Politics of Nonviolent Action. Gene Sharp. Porter Sargent, $24.95.

Public Housing. Richard F. Muth. American Enterprise Institute, $3.

The Puerto Rican Papers: Notes on the Emergence of a Nation. Alfredo Lopez. Bobbs-Merrill, $8.95.

Silent Slaughter. Joel Griffiths, Richard Ballantine. Regnery, $6.95. If the doctor doesn't zap you with x-rays, your wristwatch or TV will. A well-documented study of the hazards of radiation.

Sixties Going on Seventies. Nora Sayre. Arbor House, $9.95. Skillful journalism.

The Truman Era. I. F. Stone. Random House, $7.95. To celebrate Izzy's 65th birthday, this 1953 volume of essays is being published again. Like Dean Acheson, Stone was present at the creation of the cold war, and he gives a more consistently intelligent view of it.

Urban Renewal: National Program for Local Problems. John C. Weicher. American Enterprise Institute, $3. Another liberal idol bites the dust: urban renewal doesn't do what it's supposed to, and it bilks the poor along the way. This book concludes that simpler solutions—like a negative income tax—would be better. Heavy going, but worthwhile.

Varieties of Political Expression in Sociology. Robert K. Merton et. al., Univ. of Chicago, $7.95, $2.95.

Vatican, U. S. A.? Nino Lo Bello. Trident, $6.95. A bit anti-Catholic but nevertheless fascinating in its detail, this book reveals that while the Church is short on cash, it is immensely rich in real estate.

Youth Liberation: News, Politics, and Survival Information Put Together by Youth Liberation of Ann Arbor. Times Change/Monthly Review, $1.35. While high-school power seems a little passe, this is an entertaining enough tract. Sometimes hard to take as seriously as it's meant: "We want the immediate end of adult chauvinism!"

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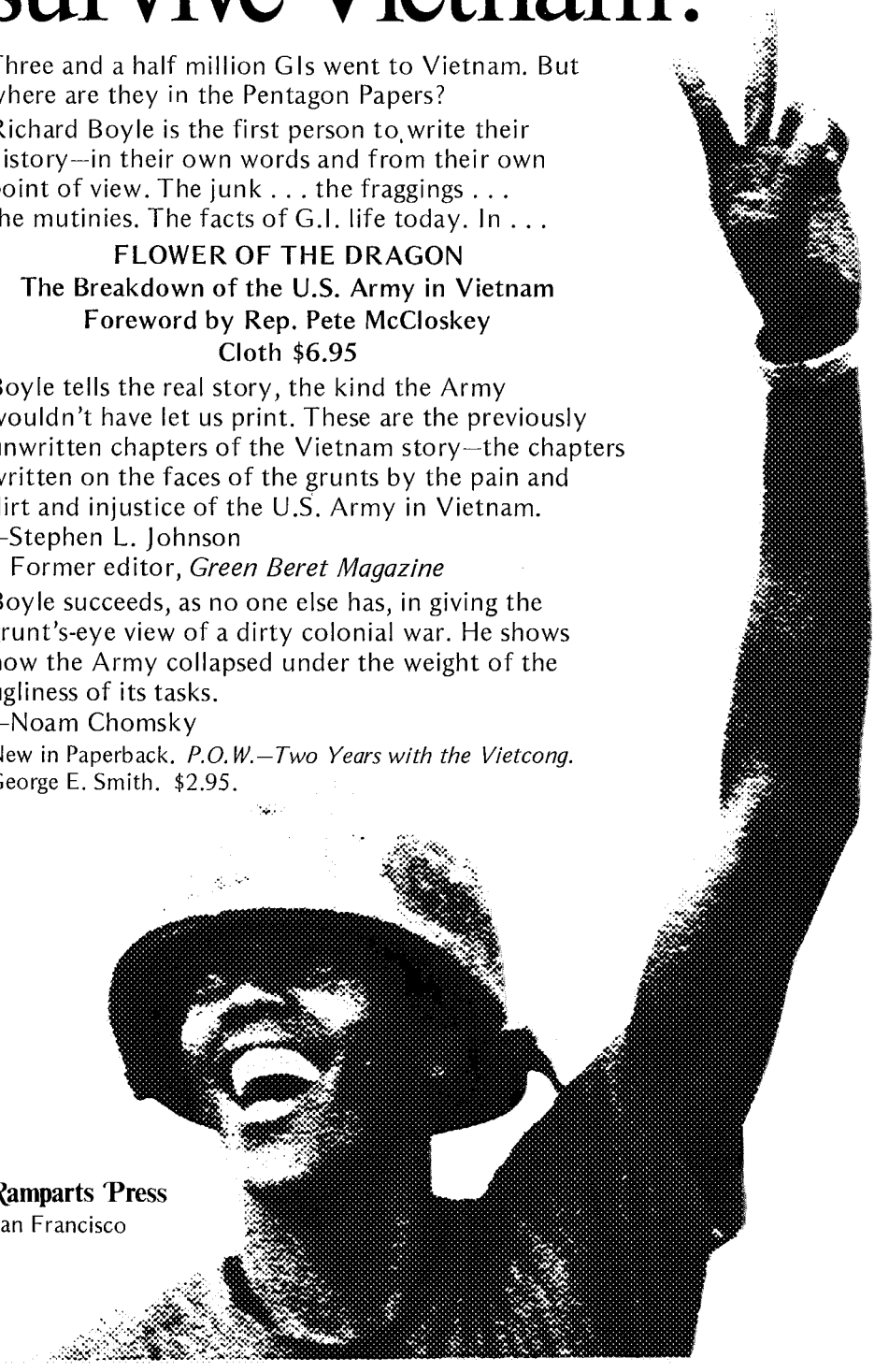

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